

ANNUAL BUDGET OF Hessequa Municipality



**2019/20 TO 2021/22
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS**

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Abbreviations and Acronyms

AMR	Automated Meter Reading	MBRR	Municipal Budget and Reporting Regulations
ASGISA	Accelerated and Shared Growth Initiative	MEC	Member of the Executive Committee
BCX	Business Connexion	MFMA	Municipal Financial Management Act
BPC	Budget Planning Committee	MIG	Municipal Infrastructure Grant
CBD	Central Business District	MMC	Member of Mayoral Committee
CFO	Chief Financial Officer	MPRA	Municipal Properties Rates Act
Cllr	Councillor	MSA	Municipal Systems Act
CM	City Manager	mSCOA	Municipal Standard Chartered of Account
CPI	Consumer Price Index	MTEF	Medium-term Expenditure Framework
CRR	Capital Replacement Reserve	MTREF	Medium-term Revenue and Expenditure Framework
DBSA	Development Bank of South Africa	NERSA	National Electricity Regulator South Africa
DoRA	Division of Revenue Act	NGO	Non-Governmental organisations
DPLG	Department Provincial of Local Government	NKPIs	National Key Performance Indicators
DWA	Department of Water Affairs	NT	National Treasury
EE	Employment Equity	NRW	Non-Revenue Water
EEDSM	Energy Efficiency Demand Side Management	OHS	Occupational Health and Safety
EM	Executive Mayor	OP	Operational Plan
EPWP	Expanded Public Works Programme	PBO	Public Benefit Organisations
FBS	Free basic services	PDO's	Pre-Determined Objectives
GAMAP	Generally Accepted Municipal Accounting Practice	PHC	Provincial Health Care
GDP	Gross domestic product	PMS	Performance Management System
GDS	Gauteng Growth and Development Strategy	PPE	Property Plant and Equipment
GFS	Government Financial Statistics	PPP	Public Private Partnership
GRAP	Generally Recognised Accounting Practice	PSP	Public Service Purposes
HR	Human Resources	PTIS	Public Transport Infrastructure System
HSRC	Human Science Research Council	RG	Restructuring Grant
IDP	Integrated Development Strategy	RSC	Regional Services Council
IGR	Inter-Governmental Relations	SALGA	South African Local Government Association
IT	Information Technology	SAPS	South African Police Service
kL	kilolitre	SCM	Supply Chain Management
km	kilometre	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator	T.O.U	Time of use
kWh	kilowatt per hour	VAT	Value Added Tax
l	litre	WCWDM	Water Conservation and Waste Demand Management
LED	Local Economic Development		
LGMTEC	Local Government Technical Evaluation Committee		
	LTFP Long Term Financial Plan		

PART 1. ANNUAL BUDGET

1.1 MAYORS SPEECH

BUDGET SPEECH BY THE MAYOR FOR THE MTREF PERIOD 2019/20

Honourable Speaker

Members of the Executive Mayoral Committee

Councillors

Municipal Manager and Directors

Members of the public

Media



Honourable Speaker

In terms of the Municipal Finance Management Act (MFMA) the budget must be tabled to the public for approval. The MFMA is geared to help municipalities with a sustainable financial framework, and to cultivate sound financial practices. It goads the municipality on towards better service delivery. This legislation ensures that the public is fully informed about how the expected capital and operating budgets will be spent in any budget year.

Honourable Speaker

It is indeed a privilege to present the draft budget for 2019/2020. With limited resources at our disposal we have endeavoured to improve the lives of all Hessequa inhabitants. In Hessequa today, 98% of households have services at their disposal which improves the lives of these inhabitants. We strive on a daily basis to improve on this.

Although the municipality is not a profitmaking organisation, financial management must be based on sound principles. With escalating inflation we cannot do anything else to avoid increasing the cost of services. The economy is indeed tough. This is therefore the reason why we have to think more creatively and productively to keep costs within limits. There were two rounds of public participation processes for the compilation of this draft budget.

The upper limit for indigent help for category A has been increased to R3,500, and category B to R4,000. With this, more indigent households throughout the municipality are helped to afford basic services.

Water stability for areas such as Witsand has been ensured with the erection of a desalination plant. The cost of this plant was financed by the French and Provincial governments. The precarious shortage of water normally experienced during December months in Witsand has now been addressed. The dependence on external water sources has also diminished through this.

An amount of R22 million will be spent on the upgrading of sewerage networks in Still Bay and Riversdale. An amount of R21 million has been budgeted for electricity reticulation throughout Hessequa such as street lights, telemetric systems, substations, underground power lines and cables. R11 million has been earmarked for the upgrading of roads in 2019/2020.

One is inclined to talk about big projects that are planned. There are however literally hundreds of smaller capital projects which improve the lives of Hessequa inhabitants on a daily basis. In the ensuing financial year, emphasis will be placed on information technology so that we can keep abreast with changing times

All selling prices of electricity are approved by NERSA before tariffs can be implemented. A master plan has been compiled to plan for repairs and maintenance as well as new developments.

Employee related costs are currently 39% of the budget. Salary increases are governed by collective agreements and are usually in force for 3 years. The Draft budget provide for a 7% increase for over the MTREF period.

The aim of the municipality is to bring all sport facilities in the Hessequa area to the same standard. Riversdale, Heidelberg and Albertinia have adequate facilities that will soon be brought to an acceptable standard. The sport communities of Slangrivier and Melkhoutfontein will benefit in the next three years with various upgrading projects of sport facilities. These upgrading projects will be funded by two sources which is the Municipal Infrastructure Grant (MIG) and own funds.

We learnt many lessons with the fires that occurred in the Hessequa area during the past few years. We heard the need of the inhabitants and have made an investment in the fire fighting service. Once

again we have budgeted for a fire fighting engine. It is Council's priority to create a fully fledged fire fighting service. With this, the reaction time will be as short as possible.

Allow me the opportunity to thank the dedicated personnel for their excellent service who have led the municipality in these difficult times to achieve the successes that they did.

To the Speaker, Executive Deputy Mayor, my MAYCO and Councillors my sincere appreciation for the special manner in which you have contributed to the successes of the municipality.

A 5th clean audit outcome is proof of sound financial management by all personnel as well as the entire council.

I conclude with these words from President Nelson Mandela:

"A winner is a dreamer who never gives up."

I thank you

Executive Mayor Grant Riddles
Hessequa Municipality



1.2 COUNCIL RESOLUTIONS

The MFMA stipulates that the Mayor must table the Annual Budget at a council meeting at least 30 days before the start of the budget year, and the Mayor must take all reasonable steps to ensure that the municipality approves its annual budget before the start of the budget year.

RESOLVED

1. That Council approves the annual budget of the municipality for the financial year 2019/20 and indicative for the two projected outer years, 2020/21 and 2021/22, and the multi-year and single year capital appropriations as set out in the following schedules, after consideration of all public comments:
 - 1.1 Budgeted Financial Performance (revenue and expenditure by standard classification) reflected in Table A1 pg. 61 and Table A4 pg. 65.
 - 1.2 Budgeted Financial Performance (revenue and expenditure by municipal vote) as reflected in Table A2 pg. 63.
 - 1.3 Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source as reflected in table A5 pg 67.
2. That Council approves the property rates tariffs reflected in the 2019/20 tariff list (Annexure A) and any other municipal tax reflected in the 2019/20 tariff list that will be imposed for the budget year 2019/20.
3. That Council approves the tariffs and charges, subsidies and discounts as reflected in the tariff list (Annexure A) for the budget year 2019/20.
4. That Council approves the budget related policies reflected in Annexure B for the budget year 2019/20.



1.3 EXECUTIVE SUMMARY

National Treasury requires municipalities to continue to explore appropriate ways of structuring the tariffs for utility services, to encourage more efficient use of these services, and to generate resources required for maintenance, renewal and expansion of infrastructure. They also encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect appropriate balance between the interest of poor households, other customers and ensuring the financial sustainability of the municipality.

The recent technical recession, high unemployment, slow economic growth, weakening of the currency and rising global interest rates affects the country and a recovery plan must be implemented in order to stimulate the economy.

Local government has a vital role to play in turning around the economy. Fiscal prudence cannot be overemphasised, renewed revenue management, improvement of governance and financial management to support service delivery, funded budgets and implementation of mSCOA must be the responds to the stimulus plan by Government.

The budget was made possible through consultation with the local community, the relevant government departments and the internal departments of the Municipality to ensure that the priorities are properly aligned and addressed. The Municipality's business and service delivery priorities were again reviewed as part of this year's planning and budget process. Yet again expenditures on non-core and "nice-to-have" items were critically reviewed.

National Treasury's MFMA Circular No's 48, 51, 54, 55, 66, 67, 70, 72, 74, 75, 78, 79, 80, 82, 85, 86, 89, 91, 93 and 94 were used where necessary to guide the compilation of the 2019/20 MTREF.

The local economy still has a very low momentum as a result of the disruption of the world economy, domestic strike activity and moderating household consumption. This had a direct impact in the compilation of the budget. Trends in income growth statistics are still very low, indigent and poor households are growing.

Municipal Councils must ensure that funded budgets are adopted which means that expenditure must be contained within realistic revenue projections. The Consumer Price Index (CPI) is forecasted to be between 3 to 6% target band and municipalities are required to justify all increases in excess of the target for 2019/20.

The main challenges experienced during the compilation of the 2019/20 MTREF can be summarized as follows

- Ensure a funded budget
- Difficulties in the national and local economy.
- Salary increases for staff exceed consumer inflation – 6,5% increase budgeted.
- Ageing and increasing costs of maintenance of water, roads, sewerage and electricity infrastructure.
- Increased cost of bulk water (due to tariff increases from Overberg Water – 8,4% and Korentjie-Vetteriver Irrigation Board – 8%), which is placing upward pressure on service tariffs to residents.
- Affordability of capital.
- Non-cash items such as provision for landfill sites and retirement benefits puts pressure on the expenditure budget and cannot fully be recovered from tariffs.

Consolidated Overview of the 2019/20 MTREF

Description	2019/20 Medium Term Revenue & Expenditure			
	Adj. Budget 2018/19	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
Total Operating Revenue	459 898 999	481 779 381	528 607 009	574 662 009
Total Operating Expenditure	478 741 845	497 391 211	554 657 962	603 684 961
Surplus/(Deficit)	-18 842 846	-15 611 830	-26 050 953	-29 022 952
Capital Transfers & Subsidies	30 025 743	16 243 200	15 194 350	16 038 800
Surplus/(Deficit) after capital	11 182 897	631 370	-10 856 603	-12 984 152
Capital Expenditure	92 477 157	110 408 968	77 943 349	68 733 255

Total operating revenue has increased by 4.76% or R21,880 million for the 2019/20 financial year when compared to the 2018/19 adjustment budget. For the two outer years, operational revenue will increase by 9.72% in 2020/21 and 8.71% in 2021/22.

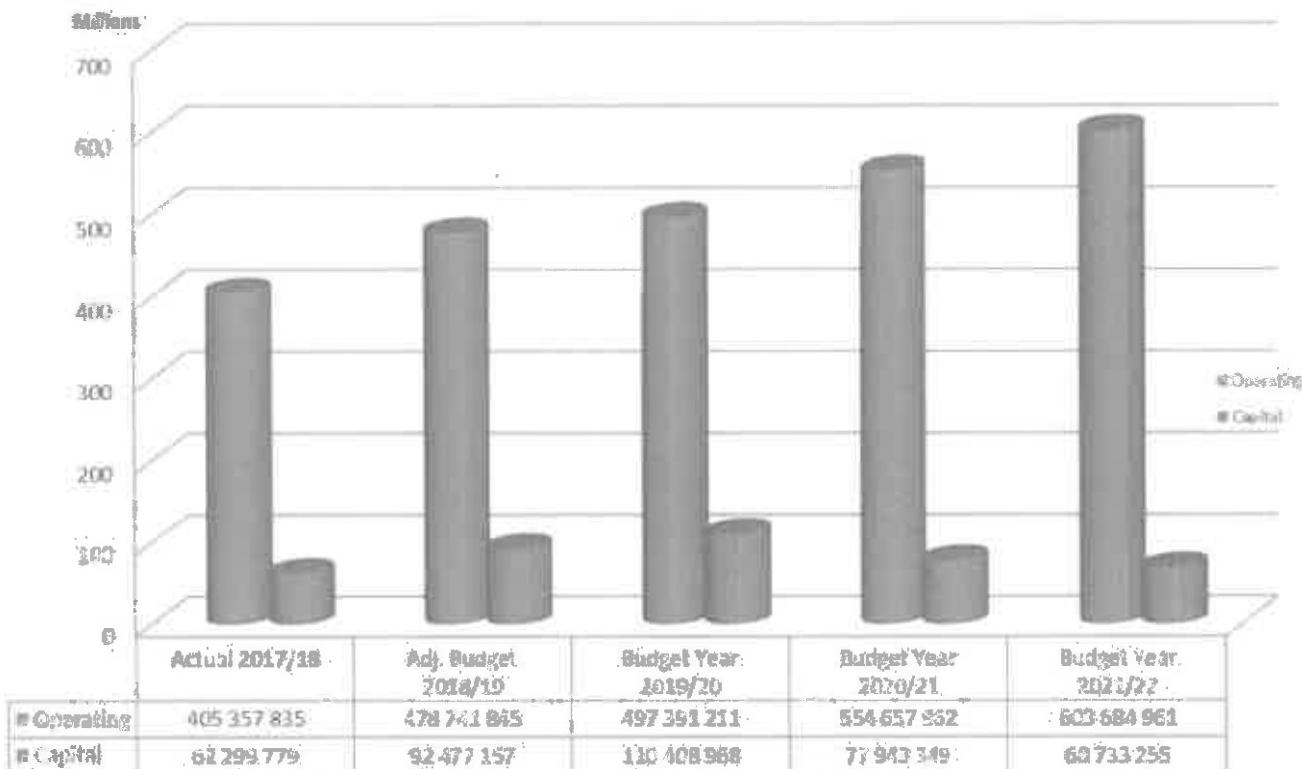
Total operating expenditure for the 2019/20 financial year shows an 3.90% or R18,649 million increase when compared to the 2018/19 adjustment budget and increases by 11.51% and 8.84% for each of the respective outer years of the MTREF.

The total 2019/20 budget amounts to R607,800 million. It consists of a capital budget of R110,409 million or 18.2% of the total budget and an operating budget of R497,391 million.

The graph below shows the operating expenditure- and capital budget (actual) for the 2017/18 financial year, the revised budget for 2018/19, and proposed budgets for the 2019/20 to 2021/22 financial years:



Operating & Capital Budget



1.4 OVERVIEW ON MFMA CIRCULARS

1.4.1 MFMA Circular No 93

The purpose of the annual budget circular is to guide municipalities with their compilation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF), in particular to ensure that funded budgets are adopted by municipal Councils. This means that expenditure must be contained within realistic revenue projections.

1. The South African economy at a crossroads

Given the current economic climate the country faces, government is confronted by difficult economic and fiscal challenges over the medium term. South Africa needs to choose a path that leads to faster and more inclusive economic growth and strengthens private and public sector investment. This should also stabilise and reduce the national debt, as South Africa cannot afford to borrow at the rate we are currently borrowing at.

To promote a return to faster growth and job creation, the President announced an economic stimulus and recovery plan. The initiative focuses on five interventions:

- Implementing growth-enhancing economic reforms;
- Reprioritising public spending to support economic growth and job creation;
- Establishing an infrastructure fund;
- Addressing urgent matters in education and health; and
- Investing in municipal social infrastructure improvement.



2. Key focus areas for the 2019/20 budget process

2.1 Local government conditional grants and additional allocations

- The largest transfer to municipalities is the local government equitable share, which grows by 9.9 per cent in 2019/20, 9.7 per cent in 2020/21 and 8.6 per cent in 2021/22. These above-inflation increases are due to expected growth in household numbers, and higher bulk water and electricity costs
- The widespread decline in the quality and performance of essential municipal infrastructure significantly constrains the potential for inclusive economic growth. Municipalities should prioritise the maintenance and where necessary the refurbishment of essential municipal infrastructure.

2.2 Tabling of funded budgets

- Adopting a funded budget has become more critical now than before as it has direct bearing on the financial sustainability of the institution.
- No municipality will adopt an unfunded budget in the future. There are cases that may warrant a plan as this may not be achievable over one year. Such municipalities must, together with their 2019/20 MTREF budget, table a plan in a municipal council on how and by when the budget will improve from an unfunded to a funded position.

2.4 Municipal Standard Chart of Accounts (mSCOA)

- Release of Version 6.3 of the Chart - Version 6.3 of the chart will be effective from 2019/20 and must be used to compile the 2019/20 MTREF
- Amendments of adopted budget errors during the adjustments budget
 - Municipalities are still not able to align mSCOA original budget data string to the original budget adopted by municipal council.
 - Some municipalities prepared their tabled budgets in the financial system but made changes to it during community consultation and council meeting(s). These changes were effected to the Schedule A that served before Council but never made on the financial system. Hence, the municipality started transacting against the tabled budget on the system instead of the adopted budget.
 - the budget must be approved and locked on the financial system prior to the municipality transacting against it on the financial system.
 - Errors in the budget can only be corrected during the adjustments budget process. Municipalities should therefore ensure that their adjusted budget data strings align to Schedule B adopted by municipal council.
 - National and Provincial Treasuries will undertake a verification process on the adjusted budgets in relation to the data strings. Municipalities are advised to submit the draft adjusted budget data strings and Schedule B in advance for verification purposes to ensure that aligned documents are adopted by municipal council by 28 February 2019.
- Changing of the Core Financial System

Prior to changing their core financial systems:-

1. Municipality must conduct an ICT due diligence of all the existing ICT system(s).
2. Once this ICT Due Diligence has been completed, the municipality's mSCOA Project Steering Committee (chaired by the Accounting Officer) must:
 - a) Assess whether existing system(s) as a package, meets the systems comply with the functionality requirements for its category and 15 business processes required in terms of mSCOA. This should be the main consideration in the decision on whether a new financial system is required;
 - b) Consider the cost of any additional functionality the municipality will have to procure from its existing package of service provider(s) and the affordability thereof. Importantly, if a municipality did not budget to purchase or procure a new financial system, it must not do so.

- c) the budget adopted by Council, then the purchase will have to be deferred to the next financial year to avoid irregular expenditure;
- c) Compare the total cost of its existing 'package of system(s)', including the cost for any additional functionality with the other available service offerings for its category;
- d) Consider the penalties and reasons for contract termination in any of its contracts with existing service providers.
- 3. The project steering committee must document its decision and recommendation(s) on the way forward, clearly setting-out its findings.
- 4. Once the mSCOA project steering committee has made its decision and recommendations, the municipality must solicit the comments of National and Provincial Treasury. A detailed motivation on the need to change should be provided to National and Provincial Treasury, the Municipal Manager and Council.
- 5. Once the municipality has received the comments of National and Provincial Treasury, the mSCOA Project Steering Committee and Municipal Manager should consider such comments and prepare a recommendation to Municipal Council in this regard.
- 6. The municipal manager must submit a copy of the municipal council's decision to the National and Provincial Treasury within five (5) working days after the meeting during which the Municipal Council has made the decision in this regard.
- 7. **The municipality should then follow its own tender processes to procure a financial system on the open market until such time that a new transversal tender for the procurement of integrated municipal financial and internal control systems are in place.** Thereafter, municipalities may request permission from National Treasury's Office of the Chief Procurement Officer to use the transversal tender to procure a financial system.
- 8. The municipality should ensure that the Service Level Agreement entered into with the system provider provides for specific and realistic milestones and include penalties and termination clauses for failing to meet milestones. In addition, municipalities should implement proper contract management and exercising tight control over contractual obligations by system providers.

National Treasury has also secured funding to conduct independent audits on all financial systems to determine to what extend these systems comply with the functionality requirements and 15 business processes required in terms of mSCOA. Until these audits have been concluded and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that do not comply with the necessary mSCOA functionality requirements.

3 The revenue budget

Municipalities must focus on collecting revenues owed to them, and eliminate wasteful and non-core spending and budgets will be scrutinized to ensure that municipalities adequately provide to service their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between affordability to poorer households and other customers while ensuring the financial sustainability of the municipality.

Municipalities are required to *justify all increases in excess of the projected inflation target for 2019/20* in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups. Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band.

3.1 Maximizing the revenue generation of the municipal revenue base

- Municipalities fund their 2019/20 MTREF budgets from realistically anticipated revenues to be collected.
- It is critical to compare the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are realistic. A further test would be to reconcile this with the deeds office registry. This reconciliation should be undertaken quarterly.
- Municipalities are requested to submit the following information to the National Treasury:
 - Copy of the approved current General Valuation Roll of the municipality;
 - Copy of the approved Supplementary Valuation Roll of the municipality;
 - An extract from the financial system showing the property rates information;
 - Detail of reconciliation between the GVR and financial system illustrating the variances;
 - Proposed process to rectify the variances.
- Municipalities are also encouraged to revise their Local Economic Development strategies to have a targeted approach to alleviate the situation of the indigents as part of poverty alleviation.

3.2 Eskom bulk tariff increases

- Municipalities to examine the cost structure of providing electricity services and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the service and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the service so that they work towards achieving fully cost-reflective tariffs that will help them achieve financial sustainability.

3.3 Water tariff Increases

- Important to improve demand management, infrastructure maintenance, loss management, meter reading and tariff setting in respect of water services.
- Ensure that tariffs charged are able to cover for the cost of bulk purchases, ongoing operations as well as provision for future infrastructure.

4 Funding choices and Budgeting issues

As a result of the economic landscape and weak tariff setting, municipalities are under pressure to generate additional revenue. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2019/20 MTREF budgets:

- improving the effectiveness of revenue management processes and procedures;
- paying special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities as was highlighted in MFMA Circular No. 82;
- ensuring value for money through the procurement process;
- the affordability of providing free basic services to all households;
- curbing consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

4.1 Employee related costs

The Salary and Wage Collective Agreement through the South African Local Government Bargaining Council Circular No. 6 of 2018 should be used when budgeting for employee related costs for the 2019 MTREF.

4.2 Remuneration of Councillors

Budget in accordance with the gazette on Remuneration of Public Office Bearers.

4.3 Budget for Trade Payables on Table SA3

An analysis was undertaken of the note in the Annual Financial Statements relating to Trade Payables from Exchange Transactions and the analysis revealed that this liability includes creditors which do not have a direct impact on the ratio. The inclusion of such liabilities as "Trade and Other-Payables from Exchange Transactions" under "Working Capital – Creditors due" on Table A8 has an impact on the funding assessment as they are considered when determining whether the budget is funded as per the Municipal Budget and Reporting Regulations schedules.

Table A8 is separated into three disclosures which are:

- Unspent Grants – linked by a formula from Table SA3;
- Working Capital – Creditors due - linked by a formula from Table SA3 that currently includes all Trade and Other-Payables from Exchange Transactions as explained above;
- Statutory Requirements – This refers to VAT and taxation and is not linked by a formula to any table as it may include VAT and taxation receivable included under Other Debtors in Table A6 and/or VAT and taxation payable included in Table SA3.

Table SA3 has been amended to separate Trade and Other Creditors into two separate lines. The revised disclosure will be as follows:

- Trade payables - (should be "true creditors" only);
- Other creditors – (should include all the above liabilities, except VAT that is disclosed separately);
- Unspent conditional transfers; and
- VAT.

"Trade Payables" and "Other Creditors" will be added together for the purpose of calculating "Creditors Due" in row 31 under the working capital calculation on Table A8.

4.4 Budgeting for Inventory: Water

Bulk water purchases meet the criteria of the definition of inventory as per GRAP 12, paragraph 07. However, to ensure compliance to GRAP 12 the necessary amendments must be effected to the Schedule A tables and the chart.

National Treasury considered the impact that the changes to the Schedule A tables will have on municipalities, as a result it was resolved that they are significant and should not be implemented in the 2019/20 MTREF.

The system input volume (acquisitions) of water stock includes the following:

- Bulk purchases - Supply from bulk or other water service providers recognised by the amount paid;
- Water purified - Potable supply from Water Treatment Works. Value is to be determined by calculating primary and secondary cost components; and
- Natural sources - Supply from boreholes, springs, fountains if not supplied through the water treatment plant. Value is to be determined by calculating primary and secondary cost components.

It is therefore evident that the total Input volume of water as it relates to water purified and water from natural sources should include both primary and secondary cost components. The allocation of secondary cost to the input volume of water will necessitate the utilisation of the Costing Segment of the mSCOA chart.

Municipalities are cautioned that the Schedule A for the 2020/21 MTREF will be amended in line with the prescripts of GRAP12 and mSCOA in relation to the treatment of water bulk purchases as inventory.

6. Preparation of Municipal Budgets for 2019/20 MTREF

6.1 Schedule A1 version to be used for the 2019/20 MTREF

National Treasury has released Version 6.3 of the Schedule A1 which is aligned to Version 6.3 of the mSCOA classification framework.

ALL municipalities **MUST** use this version for the preparation of their 2019/20 MTREF budget.

- It is imperative that all municipalities prepare their 2019/20 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system.
- All financial systems have a budget module functionality to assist and prepare budgets and to generate the prescribed Schedule A1 directly from the financial system.
- Municipalities must start early enough to capture their tabled budget (and later the adopted budget) in the budget module provided and must ensure that they produce their Schedule A1 directly out of the budget module.
- To promote this approach, from the **2020/21 MTREF** the National Treasury will only accept a Schedule A1 in PDF format, containing ALL sheets as prescribed and with each worksheet displaying an embedded system stamp to certify that it has been produced directly from the system.
- For purposes of collecting additional data which we previously did using the Schedule A1 in Excel, a prescribed data string containing the data must be populated and uploaded by each municipality.

7 Budget process and submissions for the 2019/20 MTREF

7.1 Submitting budget documentation and schedules for 2019/20 MTREF

Municipality must submit:

- The budget documentation as set out in Schedule A (version 6.3) of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and ALL the supporting tables (SA1 – SA38) in PDF format with stamp that will confirm production directly out of the financial system;
- The draft service delivery and budget implementation plan in both printed and electronic format;
- The draft integrated development plan;
- The council resolution;
- Signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations;

7.2 Retirement of the Budget reform returns (Appendix B)

From 2019/20 onwards, municipalities will no longer be required to continue with the use of the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database for publication purposes. The National Treasury will use only the mSCOA data strings required for submission as prescribed and all publications will use the data collected from the mSCOA data strings.

This place the responsibility on each municipality to ensure that:

1. Budgets are accurately locked into the financial system;
2. Each transaction is accurately recorded on a daily base;
3. Data collected from sub-systems is accurately represented in the General Ledger (GL);
4. At the end of the reporting period, all reconciliations are done, sub-systems are in balance and the Municipal Manager and CFO agrees with the figures as presented in the Schedule C and other management reports or dashboards;
5. The reporting period is **CLOSED** for further transactions; and
6. The data string for the period is produced directly out of the financial system and uploaded using the LG Upload Portal.

NOTE: Municipalities must conclude all reporting for 2018/19 up to restated audit outcomes on the Appendix B (old electronic returns) to lgdatabase@treasury.gov.za before we can retire the returns.

7.5 Publication of budgets on municipal websites

- Publish tabled budgets, adopted budgets and other relevant information on the

1.4.2 MFMA Circular No 94

This budget circular is a follow-up to the one issued on 07 December 2018 (no. 93) and it complements the many other circulars that have been issued previously. It guides municipalities with their preparation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF).

1. The South African economy and Inflation targets

The economic and revenue outlook has deteriorated since the October 2018 Medium Term Budget Policy Statement (MTBPS). Funding pressures from state-owned companies have increased and require government financial support.

These factors, alongside continued high unemployment and slow growth will continue to exert pressure on municipal revenue generation and collection levels hence a conservative approach is advised for municipal revenue projections and municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures. The macro-economic forecasts for Consumer Price Inflation (CPI) is estimated at 5,2% for 2019/20.

2. Key focus areas for the 2019/20 municipal budget process

2.4 Borrowing for capital Infrastructure

Borrowing proceeds must be used to fund current and future capital expenditure, and may not be attributed to expenditures in previous years.

PLEASE NOTE that the sentence contained on MFMA Circular No. 89 stating that "*The incurring of the expenditure against a different source of finance that was approved will be regarded as unauthorised expenditure*" has been revoked.

3. The revenue budget

3.1 Eskom bulk tariff increases

NERSA will shortly publish their "Municipal Tariff Guideline Increase, Benchmarks and Proposed Timelines for Municipal Tariff Approval Process for the 2019/20 financial year". The guideline includes an update to the average cost structure used to determine the municipal tariff increase. It will set out proposed timeframes for the approval of municipal tariffs.

Municipalities should also include details of their revenue growth assumptions for the different service charges in the budget narrative.

4. Conditional Grant Transfers to Municipalities

4.1 Criteria for the rollover of conditional grant funds

Conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer proves to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When applying to retain unspent conditional allocations, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer must be addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2018 DoRA;
 2. List of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated and spent per project;
 3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):
 - a) Proof that the project tender was published and the period for tender submissions closed before 31 March;
 - b) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or
 - c) Proof of a project tender, appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the final year of the project;
 - d) Incorporation of the Appropriation Statement;
 - e) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2019.
 4. A progress report on the status of each project's implementation that includes an attached, legible implementation plan;
 5. Value of committed project funding, and the conditional allocation from the funding source;
 6. Reasons why the grants were not fully spent during the year of original allocation per the DoRA;
 7. Municipalities must not include previous year's unspent conditional grants as a rollover request. Rollover of rollovers will not be considered;
 8. An indication of the time-period within which the funds are to be spent if the roll over is approved; and
 9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.
- No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy. If any of the above information is not provided or the application is received by National Treasury after 31 August 2019, the application will be declined.*

In addition, National Treasury will also consider the following information when assessing rollover applications; and reserves the right to decline an application should there be non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2018 DoRA, including the municipal manager and chief financial officer signing-off on the information sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements information to National Treasury by 31 August 2019;
3. Accurate disclosure of grant performance in the 2018/19 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Cash available in the bank (net position including short term investments) as at 30 June 2019 is in line with the cash flow statements to finance the roll-over request. If the full amount that is requested for roll over is not entirely cash backed, such a roll over will not be approved. National Treasury will not approve portions of roll over requests.

It should be noted that under no circumstances will the National Treasury consider requests to roll-over:

1. The entirety of any allocation to the municipality, as there should be a minimum spend of 50 per cent of the allocation per program;
2. Funding from the same grant for the third consecutive time;

3. Funding for projects constituted through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636). Projects linked to additional funding and disasters are exempted; and
4. Funding where there is evidence that the roll over application is linked to invoices that were issued within the last 30 days of the municipal financial year end.

4.2 Unspent conditional grant funds for 2018/19

In addition to the previous MFMA Circulars, the following practical arrangements will apply to ensure the return of unspent conditional grants:

- Step 1:** Must submit their June 2019 expenditure reports according to section 71 reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconcile.
- Step 2:** A municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2019. These amounts MUST exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately.
- Step 3:** If the receiving officer wants to motivate the unspent funds are committed to identifiable projects, the roll over application pack must be submitted to National Treasury by 31 August 2019.
- Step 4:** National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 22 October 2019 or whether it will agree to any alternative payment arrangement or schedules.
- Step 5:** National Treasury will communicate the unspent conditional grants amount by 05 November 2019. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 18 November 2019.
- Step 6:** Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 18 November 2019, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 02 December 2019 equitable share allocation.

5. The Municipal Budget and Reporting Regulations

5.1 Tabling of budget documents

The slow spending of capital budgets by most municipalities is a national concern as it has a negative impact on service delivery. In most cases it is a direct result of poor planning by municipalities. Municipalities are required to table the following supporting documents to Council, as part of the budget pack, when they table their budgets by 29 March 2019:

- 1) Service Delivery and Budget Implementation Plan (SDBIP); and
- 2) Procurement Plan.

5.3 Schedule A - version to be used for the 2019/20 MTREF

ALL municipalities **MUST** use Version 6.3 of the Schedule A1, which is aligned to Version 6.3 of the mSCOA classification framework for the preparation of their 2019/20 MTREF budget.

6. Municipal Chart of Accounts (mSCOA)

6.1 Virement in an mSCOA environment

Municipalities should have aligned their virement policies to mSCOA. mSCOA provides a uniform and standardised financial transaction classification framework to transact in and record its transactions using seven (7) segments. Six of these mSCOA segments are compulsory.

6.2 *mSCOA training*

The National Treasury has developed *mSCOA* training materials on the fundamentals and reporting requirements of *mSCOA*. Officials from National and Provincial Treasuries and Preferred Trainers from CIGFARO have been trained to provide training in this regard. This training is unaccredited.

7. Budget process and submissions for the 2019/20 MTREF

7.1 *Budgeting for the audited years on Schedule A (*mSCOA*)*

According to international learning practices, it is appropriate to reclassify historical information in accordance with the changes that occur in the Standard Chart of Accounts. Municipalities must capture the reclassified audit outcomes for 2015/16 to 2017/18 in version 6.3 of the Schedule A when compiling 2019/20 MTREF budgets.

7.3 *Retirement of the Budget reform returns (Appendix B)*

From 2019/20 onwards, municipalities will no longer be required to use of the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Database. National Treasury will use only *mSCOA* data strings required for submission as prescribed and all publications will use the data collected from the *mSCOA* data strings.

This place the responsibility on each municipality to ensure that:

1. Budgets are accurately locked into the financial system;
2. Each transaction is accurately recorded on a daily base;
3. Data collected from sub-systems is accurately represented in the General Ledger (GL);
4. At the end of the reporting period, all reconciliations are done, sub-systems are in balance and the Municipal Manager and CFO agrees with the figures as presented in the Schedule C and other management reports or dashboards;
5. The reporting period is **CLOSED** for further transactions;
6. The data string for the period is produced directly out of the financial system and uploaded using the LG Upload Portal.

NOTE: Municipalities must conclude all reporting for 2018/19 up to restated audit outcomes on the Appendix B (old electronic returns) to lgdatabase@treasury.gov.za before we can retire the returns.

7.6 *The process to be followed to issue version 6.4 of the *mSCOA* chart*

Municipalities have raised concerns that National Treasury issue the *mSCOA* chart changes late in the budget process. To address this challenge, the FAQ database will be closed on 31 August 2019 for logging new queries. The new version of the chart will be issued by 31 October 2019.



1.5 STANDARD CHART OF ACCOUNTS (mSCOA)

The primary objective is to achieve an acceptable level of uniformity and quality from the collection of Local Government (Municipality and Municipal Entities) data. This will require a classification framework for Local Government. Hessequa Municipality went live on SCOA on 1 July 2015 amidst various teething and conversion problems. These challenges are on-going. The classification framework specific to Local Government incorporating all transaction types, appropriation of funds, spending on service delivery, capital and operating spending and classification, policy outcomes and legislative reporting requirements can still be considered work in progress.

The development of this framework must give recognition to:

- International standards, guidance and best practices
- Labels and accounts defined to have readily available the information needed for local government budgeting (annual budgets, adjustment budgets and SDBIP) and reporting (monthly, mid-year performance assessment and annual financial statements)
- General alignment of financial reporting formats and the annual financial statements to key budget format reforms
- Alignment of budget and reporting formats with the Standards of GRAP and principles within the provisions of the transitional arrangements applicable to the different categories of municipality, especially recognizing that local government uniquely operates in an accrual accounting and budgeting environment
- Consistent use of terminology across all municipalities by defining all accounts and labels in simple terms to support appropriate classification of transactions throughout all municipalities
- Standardization across local government by clearly outlining the information requirements which will enable municipalities and their information system suppliers to develop software and report writing formats that are automated and compliant to reporting requirements governing Local Government

MFMA circular no.86 which was Issued on 8 March 2017, deals with the following

- Seamless integration of core system with sub-systems (municipalities must ensure the integration of the Debtors, Payroll and Asset sub-systems); and
- Integrated budgeting facility directly linked to the IDP and SDBIP facilities on the system

Currently the municipality uses BCX's Venus financial system. This system is very old and cannot handle seamless integration. The municipality can however confirm that the core system integrates with its sub-systems (Payday, billing, cash draw, asset register, bank etc.). These files are received into the core system by simply entering "Yes/No" for the file. This is within the minimum requirement of Province on condition that the file integration is stored in a safe environment where NO manipulation can occur, and that a reconciliation between the two systems are done at least on a monthly basis. At present Hessequa complies with the minimum requirement.



MFMA circular no.93 which was issued on 7 December 2018, deals with the following

► **Draft Budget & Final Budget – 2019/20**

- Version 6.3 of the chart will be effective from 2019/20 and must be used to compile the 2019/20 MTREF
- Municipalities should exercise caution when changing their financial system to avoid purchasing a system that do not comply with the necessary mSCOA functionality requirements.
- The municipality is in the process of acquiring the new Budget Tool from BCX and the schedule A1 will be directly produced from the module for the final 2019/20 MTREF budget
- National Treasury upgraded the A schedules to version 6.3. Council's software providers were able to do these changes on our systems.
- Schedules for National Treasury are generated automatically by the system. The 2019/20 MTREF budget has been compiled in accordance with version 6.3. To comply with this, some schedules were still done manually by the Municipality.

Annexure B – Changes to Schedule A1 – Version 6.3 (The Excel Formats)

No	Sheet	Amendment	Reason
1	A2A	Budget and Treasury office has been removed	It is a duplication of Finance
2	A4	Line 10 Service charges - other is no longer available	Not available on the mSCOA chart
3	A6	Line 20 Agriculture is no longer available	Not available on the mSCOA chart
2	A6	Formula link change on line 32 Trade and other payables	Adjustments made on SA3
4	A8	Formula link change on line 31 Creditors due	Adjustments made on SA3
5	A9	Adjustments made to lines 134 to 135 Asset Register Summary - PPE (WDV)	Only high level summary required
6	SA3	Line 35 and 36 - split Trade payables and Other creditors	To refine calculation of creditors days ratio
8	SA8	Note: Formula in line 23 now only take into account Trade payables	Due to change made on SA3
9	SA25	Line 10 Service charges - other is no longer available	Not available on the mSCOA chart
11	SA30	Line 10 Service charges - other is no longer available	Not available on the mSCOA chart



1.6 LONG TERM FINANCIAL PLAN

Councils approved financial plan for the outer years of the 2018/19 MTREF period was adopted for the draft budget. The budget provides for the compilation of a new financial plan. This could not happen during 2018/19 because the infrastructure master plans must be updated. The updating is currently underway, and provision has been made in the draft budget for the updating of the long term financial plan.

A list of the recommendations of 2018/19 is reflected in the table below

NO.	RECOMMENDATION	COMMENT
2	Sell Investment Property	The MTREF budget returns accounting deficits for the MTREF period and with the ambitious capital investment programme expected the sale of investment property remains an alternative funding source.
3	Manage expenses	The current economic environment in South Africa impacts negatively on the ability of households to afford services. Therefore in an attempt to support its rate paying community, cost control remains an important objective of the municipality.
4	Maintain Liquidity Reserve	Liquidity has improved, but the recommendation remains relevant, especially in the light of an expected downward trend of liquidity in future.
5	Downward Adjustment of Salaries and Wages Bill	The average percentage employee related expenses to total expenditure is estimated to be less than 33% during the 10-Year period and is within the benchmark proposed by National Treasury (40%).
6	Support to indigents	Remains relevant. Continuously review affordable service levels.
7	Prioritise capital investment programme	The capex demand (new and replacement capex) was determined during the preparation of the LTFP in 2013 and needs to be revisited. Whereas the original recommendation encouraged more capital expenditure, the tide has now turned and the municipality should take care that its accelerated capex programme remains affordable.
8	Assess condition of assets accurately	Remains relevant to ensure timely replacement.
9	Migrate asset register to become a decision-making tool.	Remains relevant.
10	Debt affordability	The ambitious borrowing programme during the MTREF period should be followed by a more cautious approach thereafter.
11	Recommendations emanating from discussion with Executive Management.	All recommendations remain relevant to the extent not yet achieved.
13	Align external fund raising to capex programme	Ensure that future borrowings are aligned to the expected capital spending pattern. This recommendation remains valid but borrowings also need to be phased to ensure that gearing and liquidity criteria are met.
14	Cash back a Capital Replacement Reserve ("CRR")	The cash surplus generated is not sufficient to cash back the depreciation charge in a CRR, but the estimates indicate that the municipality should be able to reserve a percentage of the depreciation charge at times.
15	Adjust R&M budget upwards.	Continuously increase the R&M budget to reach the proposed 8% of Carrying Value of assets to ensure the health of existing assets. This recommendation remains valid

A few of the more pertinent aspects of the report are discussed below:

1. Increase Municipal revenues

Council's expenditure budget increases more than what is generated from the revenue budget.

The increase in the revenue base will ensure that income be generated from tariffs and growth. Hessequa Municipality does not currently reflect fiscal growth, and expenditure must be recovered from

tariffs. This has resulted in tariffs increasing well above the inflation rate. The 2019/20 MTREF budget makes provision for tariff increases between 6% and 15%.

2. Sale of Investment property

The sale of investment property is still of the utmost importance, and this need will decrease as soon as a cash contribution can be made to Council's reserves by means of tariffs. Currently no contributions can be made to reserves which are necessary for capital spending since the raising of external loans has a huge impact on tariff increases.

3. Manage Expenses

Council's operating expenditure increases annually by more than the prescribed inflation targets promulgated in the applicable budget circulars. One of the biggest causes is because the cost drivers used to measure inflation are not the same as those of a municipality. Council has cut its new posts budget drastically.

4. Liquidity Reserve

Council intends to raise a smaller external loan for 2018/19 than budgeted for.

8. Assess condition of assets accurately

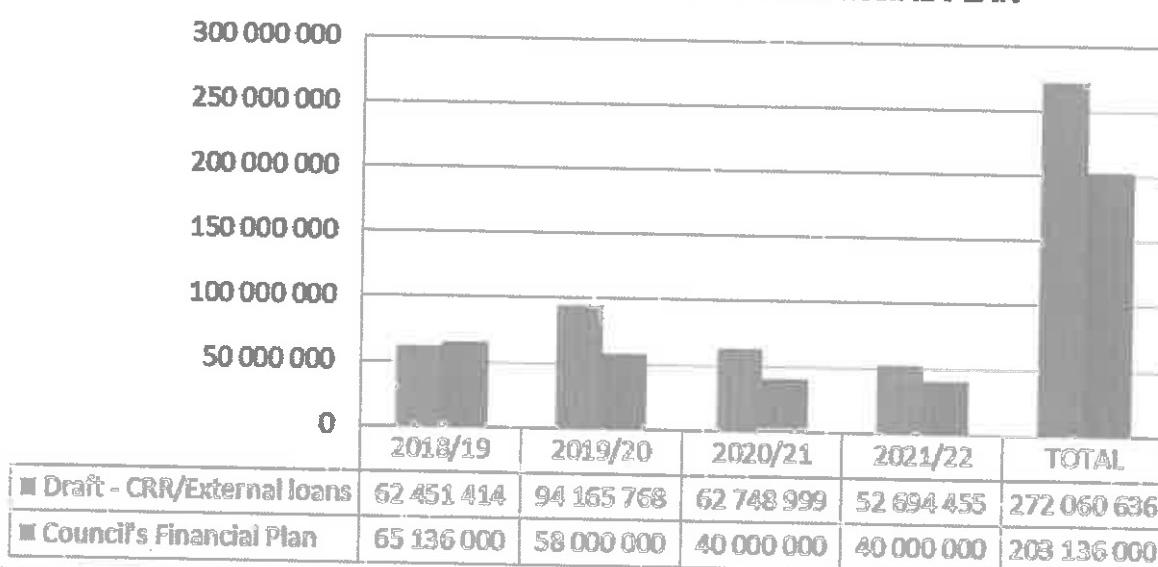
The assessment of Council's assets is a priority. Council is already in an advanced stage with the implementation of Risk Assessment and Maintenance Management plans.

14. Cash back the capital replacement reserve

The full recovery of expenditure by means of tariffs will have to be prioritized so as to generate surplus funds that can be utilized at a later stage for capital investment. The municipality has budgeted for a deficit over the 2019/20 MTREF period, which means that there is no cash to contribute to the Capital Replacement Reserve. It is the intention to rectify this by decreasing the deficit year on year.

The budget for 2019/20 from own funds as tabled is R94 165 768. Included are rollovers of R34 452 818 from the 2018/19 budget. This leaves R59 712 950 from own funds for the 2019/20 budget, which is ± R1,7 million more than the long-term financial plan.

COMPARISON: DRAFT CAPITAL BUDGET TO FINANCIAL PLAN



1.7 FINANCIAL RATIOS & NORMS

The financial ratios are calculated in accordance with MFMA circular 71.

1.7.1 CAPITAL EXPENDITURE TO TOTAL EXPENDITURE

	2015/16	2016/17	2017/18		2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Total Expenditure	425 142 063	514 187 589	467 657 612	571 219 002	607 800 179	632 601 311	672 418 216
Capital Expenditure	85 966 906	123 137 935	62 299 777	92 477 157	110 408 968	77 943 349	68 733 255
	20%	24%	13%	16%	18%	12%	10%

The norm range is between 10% and 20%.

When assessing the level of investment in assets, a ratio less than 10% reflects lower spending by the municipality in Infrastructure and holds potential risks to service delivery. A ratio of more than 20% reflects higher spending on infrastructure and acceleration in service delivery, but could also hold financial sustainability risks if the infrastructure does not include both economic (revenue generating) and social type infrastructure.

1.7.2 REPAIRS & MAINTENANCE AS A % OF PROPERTY PLANT AND EQUIPMENT

	2015/16	2016/17	2017/18		2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Total Repairs & Maintenance	15 685 796	63 532 639	69 154 285	76 735 447	83 577 933	91 709 351	97 021 529
PPE, Investment Property & Intangible	712 007 885	823 799 937	845 740 868	902 815 060	983 651 435	1 015 948 255	1 060 062 430
	2%	8%	8%	8%	8%	9%	9%

The norm is 8%.

A ratio below the norm is a reflection that insufficient monies are being spent on repairs and maintenance to the extent that it could increase impairment of useful assets. An increasing expenditure trend may be indicative of high asset-usage levels, which can prematurely require advanced levels of repairs and maintenance or a need for Asset/Replacements. The Hessequa Municipality has dedicated 66.7% of its 2019/20 Capital Expenditure towards replacement of assets. Ratios of Repairs & Maintenance is much higher because of the implementation of the new SCOA accounts, where employees working in the maintenance teams cost is directly linked to repairs and maintenance.

HESSEQUA MUNICIPALITY

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Postbus 29, Riversdale 6670

1.7.3. CURRENT RATIO

	2015/16	2016/17	2017/18		2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Current Assets	249 830 678	264 212 285	276 030 422	244 314 967	208 944 104	189 476 895	158 442 026
Current Liabilities	139 612 936	105 044 802	97 482 387	102 253 514	99 250 749	107 252 970	115 607 187
	1.8	2.5	2.8	2.4	2.1	1.8	1.4
	1.8:1	2.5:1	2.8:1	2.4:1	2.1:1	1.8:1	1.4:1

The Norm range is between 1.5 to 2:1

The higher the current ratio, the more capable the municipality is to pay its current or short-term obligations and provide for a risk cover to enable it to continue operations at desired levels. A financial ratio under 1 suggests that the Municipality would be unable to pay all its current or short-term obligations if they fall due at any specific point

1.7.4. CAPITAL COST (INTEREST PAID AND REDEMPTION) AS A % OF TOTAL OPERATING EXPENDITURE

	2015/16	2016/17	2017/18		2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Interest Paid	13 695 000	12 301 005	12 802 688	14 678 707	14 517 893	19 275 545	21 340 161
Redemption	11 539 000	14 566 109	15 739 178	17 420 948	20 512 955	24 120 518	25 581 109
Total Operating Expenditure	339 175 157	391 049 654	405 357 835	478 741 845	497 391 211	554 657 962	603 684 961
	7%	7%	7%	7%	7%	8%	8%

The norm is 6% to 8%

Operating below the Norm could indicate that the Municipality has the capacity to take on additional financing from borrowing to invest in infrastructure projects or it could relate to cash flow problems where it is unable to access borrowed funds, or the funding decisions of the municipality impacts of these levels. On the other hand, exceeding the norm could pose a risk to the municipality should changes or fluctuations in financing costs arise. The table above is not in line with NT Schedule SA 8, because of interest on landfill sites.

Requirements of the Borrowing, Funds and Reserves Policy (Hessequa Municipality)

- Percentages of Total Annual Repayment (Capital and Interest) to Operating Expenditure to be less than 10%



1.7.5. REMUNERATION (EMPLOYEE RELATED COSTS & COUNCILLORS REMUNERATION AS % OF TOTAL OPERATING EXPENDITURE)

	2015/16	2016/17	2017/18		2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Employee Related Costs	116 413 761	127 791 236	150 458 498	165 196 148	186 234 060	198 989 656	212 769 380
Councillors Remuneration	6 046 658	6 483 887	7 202 030	8 050 309	8 330 421	8 913 555	9 537 501
Total Operating Expenditure	339 175 157	391 049 654	405 357 835	478 741 845	497 391 211	554 657 952	603 684 961
	36%	34%	39%	36%	39%	37%	37%

The norm range is between 25% and 40%. Hessequa Municipality is within the norm

If the ratio exceeds the norm it could indicate inefficiencies, overstaffing or even the incorrect focus due to misdirected expenditure to non-essentials or non-service delivery related expenditure.

1.7.6. CONTRACTED SERVICES % OF TOTAL OPERATING EXPENDITURE

	2015/16	2016/17	2017/18		2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Contracted Services	4 504 463	38 735 468	32 192 656	35 872 010	32 694 235	47 735 734	55 492 153
Total Operating Expenditure	339 175 157	391 049 654	405 357 835	478 741 845	497 391 211	554 657 962	603 684 961
	1%	10%	8%	7%	7%	9%	9%

The norm range is between 2% and 5%

Ratios of Contracted Services is much higher because of the implementation of the new SCOA accounts. Before implementation of SCOA some of the Contracted Services was reflected under general expenses.



1.8 OPERATING REVENUE FRAMEWORK

The operating revenue budget, excluding capital transfers and contributions for 2019/20, amounts to R481,779 million. This is a 4.56% growth when compared to the 2018/19 adjustment budget. For the 2020/2021 financial year the revenue, excluding capital transfers and contributions, is R528,607 million and shows a increase of 9.72% when compared to 2019/20. For the 2021/2022 financial year, the revenue amounts to R574,662 million and shows a 8.71% growth when compared to 2020/2021.

The following table is a summary of the 2019/20 MTREF (classified by main revenue source):

WC042 Hessequa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description R thousand	Ref	2015/16		2016/17		2017/18		Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	+1 2020/21	+2 2021/22		
Revenue By Source													
Property rates	2	85 937	70 988	78 149	84 865	84 865	84 865	84 865	94 657	101 693	109 828		
Service charges - electricity revenue	2	117 788	128 077	132 153	138 175	138 175	138 175	141 221	157 911	171 272	184 999		
Service charges - water revenue	2	28 018	31 145	33 830	36 394	36 394	36 394	37 988	40 987	44 258	47 786		
Service charges - sanitation revenue	2	15 995	17 194	20 242	21 197	21 197	21 197	29 053	23 332	25 189	27 214		
Service charges - refuse revenue	2	11 612	12 542	15 284	18 162	18 162	18 162	25 274	22 885	24 154	26 087		
Rental of facilities and equipment		11 094	2 028	2 607	1 952	1 952	1 952	1 952	2 660	2 871	3 099		
Interest earned - external investments		12 537	18 094	17 959	5 528	5 528	5 528	5 528	8 688	8 723	8 729		
Interest earned - outstanding debtors		1 035	1 522	1 950	1 573	1 573	1 573	1 573	1 688	1 834	1 881		
Dividends received													
Fines, penalties and forfeits		44 052	66 507	38 417	67 872	67 872	67 872	67 872	45 040	47 742	50 607		
Licences and permits		1 245	1 318	1 420	1 475	1 475	1 475	1 475	1 583	1 657	1 756		
Agency services		1 778	1 987	2 218	2 032	2 032	2 032	2 032	2 203	2 247	2 292		
Transfers and subsidies		52 392	82 841	80 346	55 751	62 368	62 368	62 368	59 137	74 894	87 105		
Other revenue	2	5 240	16 134	19 735	15 808	15 808	15 808	15 808	18 414	19 420	20 484		
Gains on disposal of PPE		785	4 908	503	2 500	2 500	2 500	2 500	2 595	2 643	2 694		
Total Revenue (excluding capital transfers and contributions)		369 608	435 084	424 794	453 282	459 899	459 899	473 514	481 779	528 607	574 662		

Revenue principles accepted by the Budget Committee and used in finalizing the final budget

Council's budget guidelines stipulated that rates and service tariffs have to increase with CPI plus 1% - 2%. After the compilation of the draft budget the budget committee recommended the following tariff increases for the 2019/2020 financial year.

Proposed tariff Increases over the medium term

Description	2019/20		
	Medium Term Revenue & Expenditure Framework		
	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
Property Rates	9.0%	9.0%	9.0%
Electricity (Average)	13,07%	13,07%	13,07%
Water	12.0%	12.0%	12.0%
Sanitation Revenue	9.0%	9.0%	9.0%
Refuse Revenue	15.0%	15.0%	15.0%



Table A4: Percentage growth in revenue by main revenue source – (NT – supporting tables)**WC042 Hessequa - Table A4 Budgeted Financial Performance (revenue)**

R thousand	2019/20 Medium Term Revenue & Expenditure Framework					
	Budget Year 2019/20	% Share	Budget Year 2020/21	% Share	Budget Year 2021/22	% Share
Revenue By Source						
Property rates	94 657	19.6%	101 693	19.2%	109 828	19.1%
Service charges - electricity revenue	157 911	32.8%	171 272	32.4%	184 999	32.2%
Service charges - water revenue	40 987	8.5%	44 256	8.4%	47 786	8.3%
Service charges - sanitation revenue	23 332	4.8%	25 199	4.8%	27 214	4.7%
Service charges - refuse revenue	22 895	4.8%	24 154	4.6%	26 087	4.5%
Rental of facilities and equipment	2 660	0.6%	2 871	0.5%	3 099	0.5%
Interest earned - external investments	8 688	1.8%	8 723	1.7%	8 729	1.5%
Interest earned - outstanding debtors	1 698	0.4%	1 834	0.3%	1 981	0.3%
Fines	45 040	9.3%	47 742	9.0%	50 607	8.8%
Licences and permits	1 563	0.3%	1 657	0.3%	1 756	0.3%
Agency services	2 203	0.5%	2 247	0.4%	2 292	0.4%
Transfers recognised - operational	59 137	12.3%	74 894	14.2%	87 105	15.2%
Other revenue	18 414	3.8%	19 420	3.7%	20 484	3.6%
Gains on disposal of PPE	2 595	0.5%	2 643	0.5%	2 694	0.5%
Total Revenue (excluding capital transfers and contributions)	481 779	100.0%	528 607	100.0%	574 662	100.0%
Total Revenue from Rates & Service Charges	339 781	70.5%	366 574	69.3%	395 914	68.9%

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

In the table above it can be seen that revenue generated from rates and service charges forms a significant percentage of the revenue basket of the Municipality. Rates and service charge revenues comprise more than two thirds of the total revenue mix. In the 2019/20 financial year, revenue from rates and service charges totals to a budget of R339,781 million which is 70.5% of the total revenue budget, excluding capital transfers and contributions. This increases to R366,574 million (69.3%) and R395,914 million (68.9%) in the respective financial years of the MTREF.

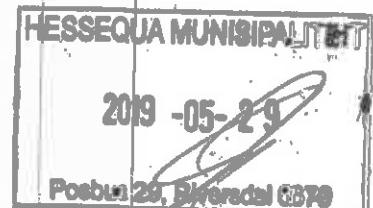
Operating grants and transfers totals R59,137 million in the 2019/20 financial year and increases to R74,894 million by 2020/21 and increase to R87,105 million in the 2021/22 financial year. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:



Table SA18: Operating Transfers and Grant Receipts (NT – supporting tables)

WC042 Hessequa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2015/16		2016/17		2017/18		Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22			
R thousand													
RECEIPTS:	1, 2												
Operating Transfers and Grants													
National Government:		37 809	46 121	41 086	44 734	44 384	44 384	47 484	50 526	54 726			
Local Government Equitable Share		31 520	34 568	37 487	40 885	40 885	40 885	44 083	47 469	51 230			
Finance Management		1 450	1 475	1 550	1 550	1 538	1 538	1 550	1 550	1 550			
Municipal Systems Improvement		830											
Dms / Mig Admin Staff Member													
Integrated National Electrification Programme		3 000	3 000	1 000	800	284	284	—	800	1 200			
Epwp Incentive		1 000	1 088	1 033	1 026	1 026	1 026	1 108					
Mig 5% Administration Portion Of Mig													
Vat On National Conditional Operating Grants													
Vat On Operating Grants National													
Flood Disaster Relief (National)													
Mig Operating Grant Expenditure													
Flood Disaster - Project Manager- Admin													
Expanded Public Works Programme Integrated Grant													
Local Government Financial Management Grant (So)													
Municipal Infrastructure Grant													
Provincial Government:		17 309	37 856	20 348	8 958	16 908	16 908	10 890	23 308	31 320			
Housing		9 857	28 119	3 587	760	6 655	6 655	1 382	12 450	21 000			
Sport And Recreation													
Flood Disaster Prov Road Maint, Cdw Libraries, Land Water, Hse, Dms													
Flood Disaster Fund													
Public Transport and Systems													
Dept Of Transport - Main Road Maintenance		85	111	111	110	110	110	103	118	118			
Cdw Support Grant													
Library Extended Staff Levels Grant (Conditional Grant)													
Library Personnel Expenditure Grant (Vulnerable Municipalities)													
Thusong Centre													
Financial Management													
Pgwo Risk Management/ Internal Audit													
Pgwo Performance Management System													
Vat On Operating Grants Provincial													
Pgwo Tariff Structure Investigation													
Pgwo Capacity Building Grant		300	120	240	380	380	380	360					
Pgwo Greening Develop. Grant Tum Op Die Brak				50									
Greenest Municipality Competition Environmental As		130	130	—									
Financial Management Support (WC_FMGS)		353	—	330	330	60	60						
Other Capacity Building Grant													
Thusong Support Grant		100											
Pgwo, Graduate Internship Grant/Capacity Building		257	60	66					100				
Drought Support grant			1 000	7 500									
Fire Service Capacity Building Grant			1 200										
Community Development Workers							19						
Electrical Master Plan													
Capacity Building													
Housing													
Library Services		8 407	7 010	7 884	8 388	8 844	8 844	8 725	10 840	10 202			
Public Transport													
Replacement Funding													
Municipal Systems Improvement					600								
Other Capacity Building				200				824	824				

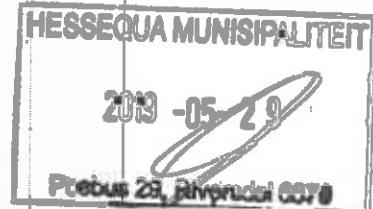


Hessequa Municipality

2019/20 Final Annual Budget and MTREF

WC042 Hessequa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
					Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20
R thousand										Budget Year +1 2020/21
										Budget Year +2 2021/22
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		1 178	145	412	1 069	1 076	1 076	1 143	1 059	1 069
Seta/Disaster Relief/ Trade Union		441	128	372	1 049	1 049	1 049	1 049	1 049	1 049
Business Engineering, Continuous Cultural Projects		10			10	10	10	10	10	10
Other Aca's										
Other:Lotto		527								
Heritage Western Cape										
Arbor City Award (Total)		300							24	
Afroarts centre			17							
Mining Companies			-	-						
Unspecified				40		17	17	60		
Total Operating Transfers and Grants	5	56 466	78 210	61 840	58 751	52 386	52 386	58 137	74 884	87 105
Capital Transfers and Grants										
National Government:		58 115	43 023	25 332	16 180	16 524	16 524	14 863	14 864	15 078
Municipal Infrastructure Grant (Mig)		13 332	13 023							
Public Transport And Systems										
Integrated National Electrification Programme					2 400	2 737	2 737	1 985	1 200	1 800
Municipal Infrastructure Grant (Mig)				13 813	12 789	12 789	12 789	12 988	13 464	14 178
Flood Disaster		39 325	30 000							
Dept Of Mineral And Energy (Dme)				11 519						
Regional Bulk Infrastructure										
Expanded Public Works Program - Nat Grant										
Dept Water Affairs		3 458								
Municipal Systems Improvement										
Financial Management Grant										
Other capital transfers/grants [insert desc]							14	14		
Municipal Disaster Grant [Schedule 5B]										
Provincial Government:					335	8 432	8 432	1 281	830	81
Disaster and Emergency Services						7 782	7 782	830		
Financial Management						250	250			
Housing										
Human Settlement Development										
Libraries Archives and Museums										
Libraries, Archives and Museums										
Library Services					335	335	335	131	530	81
Municipal Systems Improvement										
Other							68			
Greenest Municipality Competition							18	19		
Environmental Affairs & Planning										
Financial Management Support (WC_FMGS)								330		
District Municipality:										
Other grant providers:					1 000	5 737	5 737			
Agency Francaise de Development										
Foreign Government and International Organisations						4 500	4 500			
Mining Companies										
Private Enterprises					1 000	1 000	1 000			
Product						237	237			
Unspecified										
Total Capital Transfers and Grants	5	56 115	43 023	25 332	16 524	20 708	20 708	16 243	15 194	16 039
TOTAL RECEIPTS OF TRANSFERS & GRANTS		112 611	121 239	87 172	72 276	92 076	92 076	75 380	90 089	103 144



In the publication of the Western Cape DORA the Library Service Grant was overstated with R600 000. This will be officially corrected by the Provincial Library Services before the final approval of the budget in May 2019. The municipal budget for Library Services are correct in the draft 2019/20 MTREF budget.

1.8.1 ELECTRICITY TARIFFS

The operational budget for the 2019/2020 financial year makes provision for the following electricity tariff increases from 1 July 2019:

❖ Eskom tariff increase in respect of purchase of electricity (NERSA):	15.63%
❖ Municipal electricity tariff increases – (average)	: 13.07%
❖ Availability Charges	: 8.0%
❖ Connection charges, deposits	: 8.0%



The budget provides for a 15.63% increase in bulk purchases and 13.07% for average tariff increases. For Indigent households the tariff increase for electricity consumption (51 to 350 Kwh) per month will increase by only 6.04%.

Principles and Policy on Tariffs and Free Basic Services Policy & By-Law for 2019/20 has been amended with the following:-

Tariff Policy

9.1.1.1(b) & 9.2.1.1(b) - phasing out of 33A-45A

9.1.1 Customers with Conventional Meters

9.1.1.1 Customers with conventional meters are billed as follows:-

- (b) Two part tariff:
 - i. Basic monthly charge (R/month). The basic charge is determined by the category within which the consumer's tariff circuit breaker size falls, i.e. 0 to 32A, (33 to 45A), 33A to 63A and 64 to 80A for single, and 0 to 32A, (33 to 45A); 33A to 63A and 64 to 80A for three phase.



9.2.1 Customers with Conventional Meters

9.2.1.1 Customers with conventional meters are billed as follows:-

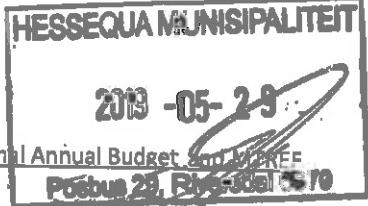
- (a) Two part tariff:
 - i. Basic monthly charge (R/month). The basic charge is determined by the category within which the consumer's tariff circuit breaker size falls, i.e. 0 to 32A, (33 to 45A), 33A to 63A and 64 to 80A for single phase, and 0 to 32A, (33 to 45A), 33A to 63A, 64 to 100A for three phase.

9.1.2.1(i) & 9.2.2.1(b)(i) – phasing out of 33A – 45A

9.1.2 Pre-paid Customers

9.1.2.1 Prepaid users are charged based on a Two part tariff:-

- i. The basic charge is determined by the category within which the consumer's pre-payment meter trip setting falls, i.e. 0 to 32A, (33 to 45A), 33A to 63A and 64 to 80A for single phase and 0 to 32A, (33 to 45A) and 33A to 63A for three phase. The basic charge will not be billed monthly but collected when customers purchase electricity at any given time as follow:-



9.2.2 Pre-paid Customers

9.2.2.1 Prepaid users are charged on a Two part tariff:

- i. Basic monthly charge (R/month). The basic charge is determined by the category within which the consumer's pre-payment meter trip setting falls, i.e. 0 to 32A; (33 to 45A); 33A to 63A and 64 to 100A for single phase and 0 to 32A, (33 to 45A), 33A to 63A and 64 to 100A for three phase. The basic charge will not be billed monthly but collected when customers purchase electricity at any given time as follow:-

- **Roof Top Study**

1. **Compilation and approve of a policy**

The Small Scale Embedded Generation Policy has been completed and was adopted by Council on 27 June 2018.

2. **An Input tariff must be created**

NERSA feed-in tariff was approved for the amount of 0,6617c/kWh. The implementation of the feed-in tariff is dependant of the financial system upgrade to include the feed-in tariff on consumer accounts who request to feed back on the municipal network.

3. **Investigate the operation on the existing system**

In process.

4. **Cost of Supply**

Cost of supply study is completed in June 2018 and was sent to NERSA for scrutiny. No feedback was received from NERSA to date after confirmation of receipt of the Cost of Supply document from Hessequa Municipality.

5. **Capital contribution**

During 2018/19 the municipality started to update its master plans. Once the updating has taken place, the capital contributions per service will be workshopped with Council for possible implementation on 1 July 2020.

- **"Time of use" (T.O.U) tariff**

The T.O.U tariff is already implemented for the bulk supply points from Eskom and the first phase is concluded. Diepkloof and Heidelberg's application for revised tariff structure were sent to Eskom and a quotation was received, which is payable by the Municipality. The new tariff rationalisation from NERSA is still not finalised and will be communicated as soon as the outcomes are available. This process is unfortunately not finalised by NERSA yet and feedback will be provided as soon as the rationalisation of the tariff structure is finalized by NERSA.

The new roll out for T.O.U tariff implementation will form part of a second phase to include bulk users and is also dependant on budget requirements for both the Technical- and Financial Departments. The financial system must be upgraded to ensure that the finance system can include the T.O.U tariff structure for bulk consumers. The current electricity meters for bulk consumers must be changed to smart meters in order to ensure that the metering can be adjusted accordingly.

The T.O.U tariff structure implementation runs concurrent with the financial system and smart metering system, which is required to be budgeted, for successful implementation. Due to NERSA's tariff approval for

the tariff structure changes, smart system installations and financial system upgrade requirements, the process will be workshopped during the 2019/20 year to establish the feasibility for implementation at Hessequa Municipality from 1 July 2020.

C M B will compile the NERSA application

NERSA is in the process of consulting with municipalities regarding the rationalisation of electricity tariffs within the distribution industry to find the most appropriate structures. In view hereof, it is proposed that the municipality's present structure be retained and not be changed until NERSA has finalised their consultation process, and provided clear guidance on the way forward.



ELECTRICITY TARIFFS

Consumer	Current Tariff	Proposed Tariff	%
	2018/2019 per kWH (excl. vat)	2019/2020 per kWH (excl. vat)	
1. Domestic - Conventional Meters			
0 - 50 kWH	0.9100	1.0280	12.97%
51 - 350 kWH	1.1590	1.3100	13.03%
351 - 600 kWH	1.6410	1.8550	13.04%
> 600 kWH	1.9370	2.1900	13.06%
Basic Charges - 60 amp	403.80 pm	442.20 pm	9.51%
2. Domestic - Pre-paid Meters (Indigent)			
0 - 50 kWH	free	free	
51 - 350 kWH	1.1590	1.2290	6.04%
351 - 600 kWH	1.6410	1.8550	13.04%
> 600 kWH	1.9370	2.1900	13.06%
Basic Charges - 20 amp	Nil	Nil	
3 Domestic - Small Users - Pre-paid Meters			
0 - 50 kWH	0.9100	1.0280	12.97%
51 - 350 kWH	1.1590	1.3100	13.03%
351 - 600 kWH	1.6410	1.8550	13.04%
> 600 kWH	1.9370	2.1900	13.06%
Basic Charges - 60 amp	94.90 pm	103.92 pm	9.50%
4 Domestic - Pre-paid Meters			
0 - 50 kWH	0.9100	1.0280	12.97%
51 - 350 kWH	1.1590	1.3100	13.03%
351 - 600 kWH	1.6410	1.8550	13.04%
> 600 kWH	1.9370	2.1900	13.06%
Basic Charges - 60 amp	189.79 pm	207.83 pm	9.51%
5 Domestic - Pre-paid Meters - Alternative			
0 - 50 kWH	0.9940	1.1230	12.98%
51 - 350 kWH	1.2620	1.4260	13.00%
351 - 600 kWH	1.7570	1.9860	13.03%
> 600 kWH	1.9370	2.1900	13.06%
Basic Charges - 60 amp	Nil	Nil	0.00%
6. Business - Conventional Meters			
Energy consumption per kWH	1.4250	1.6140	13.26%
Basic Charges - 60 amp	494.40 pm	540.00 pm	9.22%
7. Business - Pre-paid Meters			
Energy consumption per kWH	1.4250	1.6140	13.26%
Basic Charges - 60 amp	232.37 pm	253.80 pm	9.22%
8. Business - Bulk Consumers			
Energy consumption per kWH	0.7760	0.8850	14.05%



Revenue and Expenditure in respect of the Electricity Department

(Excl. capital grant & Free Basic Services)	Budget 2018/19	Budget 2019/20
Total Electricity Revenue	155 824 731	176 551 166
Total Electricity Expenditure	139 324 617	156 890 750
NETT PROFIT / (LOSS)	16 500 114	19 660 416
Percentage Gross Profit	11.84%	12.53%



As can be seen from the above figures, the electricity department reflects a budgeted surplus in 2018/19 of R16,500 million (11.84%) and a surplus in the 2019/20 draft budget of R19,660 million (12.53%). This service is a trading service and has to show a surplus.

The table excludes capital grant income and the cost of free basic services.

It is clear from the above that there is an increase in the net profit on electricity. The surplus that Hessequa Municipality generates from electricity sales is well within the norm of between 8 -15%. The main reasons for the increase in the surplus is because of the small difference between tariff increases to municipality for purchase of electricity (15.63%) and tariff increases allowed by the municipality 13.07.

1.8.2 WATER TARIFFS



It is recommended that the water tariffs, i.e. the basic charges, consumption tariffs and availability charges increase by 12% and all sundry charges by 8% from 1 July 2019. Attention is also directed to the tariffs in periods of drought which is also shown in Annexure A. The tariff structure for the 2019/20 financial year has not been changed. The structure is designed to charge higher levels of consumption at a higher rate.

Water is a scarce commodity and its usage must be managed carefully by everyone. Provision has been made in the budget for additional water sources which will have a future implication on the operating budget.

The Credit Control and Debt Collection Policy & By-Law for 2019/20 has been amended with the following:-

17(5)(h) tot (j): Water leakages

- (h) Any water leakage discovered on the side of the customer will be the responsibility of the customer.
 - (i) A customer may qualify for a reduction in levy as determined by Council on his/her account in the event of a water leakage, if:
 - (i) the leakage was repaired within 48 hours after detection / notification by the municipality; and
 - (ii) the customer has not applied for discount on water leakages within the previous 12 months.

- (j) Where a customer repaired such a water leakage the Municipality may consider a rebate on the water account of the customer. In this regard:-
- (i) the customer must apply in writing, within 10 days after completion of repairs, for such rebate.
 - (ii) a receipt as proof of repairs must be submitted with the application.
 - (iii) the application must be submitted to the Chief Financial Officer for approval.
 - (iv) the rebate will be calculated on the average of the previous 12 month's consumption at the lowest tariff;
 - (v) if approved, the applicable credit will be passed in the subsequent account; and
 - (vi) Paragraph 17(5)(j) will only apply where consumption increased more than double the average usage of the previous 12 months due to a leak.

Proposed Water tariffs

The following table shows the impact of the proposed Increases in water tariffs for domestic and other consumers:

CATEGORY	Current Tariff 2018/2019 Rand per kl (excl. vat)	Proposed Tariff 2019/2020 Rand per kl (excl. vat)	% Increase
Residential			
Water consumption: 1 - 15 kl	6.92	7.75	12%
Water consumption: 16 - 30 kl	7.90	8.84	12%
Water consumption: 31 - 40 kl	8.61	9.65	12%
Water consumption: 41 - 50 kl	10.48	11.74	12%
Water consumption: 51 - 70 kl	12.30	13.77	12%
Water consumption: > 70 kl	14.82	16.60	12%
Old Age Homes / Schools			
Water consumption: 1 - 70 kl	6.08	6.81	12%
Water consumption: 71 - 90 kl	6.92	7.75	12%
Water consumption: > 90 kl	8.61	9.65	12%

Revenue and Expenditure in respect of the Water Department

(Excl. capital grant & Free Basic Services)	Budget 2018/19	Budget 2019/20
Total Water Revenue	49 552 140	55 523 505
Total Water Expenditure	36 822 878	39 508 459
NETT PROFIT / (LOSS)	12 729 262	16 015 046
Percentage Gross Profit	34.57%	40.54%



As can be seen from the above figures, the water department reflects a budgeted surplus in 2018/19 of R12,729 million (34.57%) and a surplus in the 2019/20 budget of R16,015 million (40.54%). This service is a trading service and has to show a surplus. Water consumption trends are still very volatile and it was difficult to project future water consumption patterns. This is always a risk as far as income is concerned.

The table exclude capital grant income and the cost of free basic services.

1.8.3 REFUSE REMOVAL TARIFFS

The service is categorised as an economic service, which means that it has to pay for itself from service fees. It is recommended that the refuse removal tariffs be increased by 15.0% from 1 July 2019.

The reason for the big increase in tariffs is because the department is an economic service that is being operated at a loss. The implementation of the higher tariff will decrease the deficit so that the cost of non-cash items can be recovered. The costs are specifically for depreciation and provision for landfill sites.

Legislation determines the following in connection with refuse removal: Provincial gazette 6588 of 19 December 2008 states:



Reg 5: Compulsory use of service

- (i) No one except the municipality or a person authorized by the municipality may remove any refuse from any property or dispose of it
- (ii) Every owner of property must, where a service is available, make use of the refuse removal or disposal service provided by the municipality in respect of refuse originating from such property
- (iii) The tariff determined by the municipality will be payable by the owner, irrespective of whether the service is used or not.

Reg 19: Burning of refuse

- No person may burn refuse without the written permission of the municipality

Rural refuse removal

This has been levied since July 2018. The rural area has been divided into smaller sections, and the system ensure that one owner will not be levied for "ten" refuse removals. The levy of refuse removal in the rural areas has been incorporated in the policy and tariffs were implemented over the last year (2018/19). The determination of the tariff is as follows:

- Property used for agricultural purposes X 60% of the domestic refuse tariff
- Properties identified by the technical department where developments exist or business is practiced (e.g. Oakdale, Riverside, Puntjie, Press Room, Botterkloof, Kasselshoop etc.) are levied as follows:
 - Amount of businesses on premises X 60% of business tariff per business activity
 - Amount of households on premises X 60% of domestic tariff per household

Residential

Removal from transfer stations - 60% of domestic tariff

Dumping at dumping site - 60% of domestic tariff

Business/Commercial/Industrial

Removal from transfer stations - 60% of business/commercial/industrial tariff

Dumping at dumping site- 60% of business/commercial/industrial tariff

The Principles and Policy on Tariffs and Free Basic Services Policy & By-Law for this category for 2019/2020 has been amended with the following:

REFUSE POLICY

11.1.3 The Council has determined the following categories for refuse removal in rural areas:

11.1.3.3 - Special agreements – Determined and approved by Council from time to time. All developments with eleven or more units that have created a central collection point for refuse as agreed with Council may qualify for a reduced tariff as determined by Council on an annual basis. The Body Corporate may apply, before the 31st of December of the year preceding the financial year for which the rebate is applied for, in writing for a rebate. If approved, a rebate of 20% will be applied. If no application is received the full charges will be levied.

Revenue and Expenditure in respect of the Refuse Department

(Excl. capital grant & Free Basic Services)	Budget 2018/19	Budget 2019/20
Total Refuse Revenue	25 685 067	31 535 132
Total Refuse Expenditure	32 345 409	33 307 982
NETT PROFIT / (LOSS)	-6 660 342	-1 772 850
Percentage Gross Profit	-20.59%	-5.32%

This net deficit shows a decrease from 2018/19 of R6,660 million (20.59%) to R1,772 million (5.32%) in 2019/20. Included in the budget expenditure for 2019/20 are Depreciation of R6,307 million and Finance Charges of R7,279 million for Landfill Sites.

The table excludes capital grant income and the cost of free basic services.



The following table shows the impact of the proposed increases in refuse tariffs for domestic and other consumers:

REFUSE REMOVALS	PER UNIT	Tariff - 2018/2019 (excl. vat)	Tariff - 2019/2020 (excl. vat)	% Increase
Domestic Households	Per month	R 129.00	R 148.00	15%
Business/Commercial/Industrial Maximum of two removals per week	Per month	R 291.00	R 335.00	15%
Bulk - Business/Commercial Industrial Maximum of three removals per week	Per month	R 644.00	R 741.00	15%
Bulk - Business/Commercial Industrial Maximum of four to seven removals per week	Per month	R 1 291.00	R 1 485.00	15%
Removal from transshipping station-rural areas/dumping at dumping sites Residential	Per month	77.40	89.00	15%
Removal from transshipping station-rural areas/dumping at dumping sites Business	Per month	174.60	201.00	15%

1.8.4 SEWERAGE FEES



The service is an economic service, which means that it has to pay for itself from service fees.

The sewerage tariffs have been increased as follows:

Connection fees	9%
Availability fees: Sewerage and Conservancy tanks	9%
Sewerage fees	9%

Tariffs must be calculated on growth of services sold and an annual increase. The inflation targets of 3 to 6% can only be attained if there is growth. The current poor national economic climate has resulted in very little growth over the past years. This causes tariffs to increase above inflation.

Revenue and Expenditure in respect of Sewerage Department

(Excl. capital grant & Free Basic Services)	Budget 2018/19	Budget 2019/20
Total Sewerage Revenue	29 429 394	32 796 531
Total Sewerage Expenditure	30 355 307	31 118 186
NETT PROFIT / (LOSS)	-925 913	1 678 345
Percentage Gross Profit	-3.05%	5.39%



The net loss of R0,925 million (3.05%) in 2018/19 turns into a surplus of R1,678 million (5.39%) in 2019/20. The turnaround from net loss to net surplus for the service are due to savings on varies expenditure items and the 9% tariff increase.

The table exclude capital grant income and the cost of free basic services.

The following table shows the Impact of the proposed Increases in sewerage tariffs for domestic and other consumers:

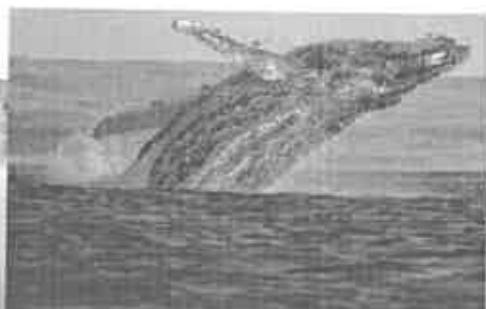
Revenue and expenditure in respect of Sewerage Department

SEWERAGE	Unit	Tariff - 2018/2019 (excl. vat)	Tariff - 2019/2020 (excl. vat)	% Increase
Availability Fees - Empty Stands				
All Empty Stands - Sewerage Network	Per erf p/y	R 1 717.00	R 1 872.00	9.0%
All Empty Stands - Septic Tanks	Per erf p/y	R 857.00	R 935.00	9.1%
Basic Per Connections				
20 mm water connection	Per month	R 146.00	R 159.00	8.9%
20 mm water connection - 15% rebate	Per month	R 124.00	R 135.00	8.9%
25 mm water connection	Per month	R 185.00	R 202.00	9.2%
32 mm water connection	Per month	R 258.00	R 281.00	8.9%
40 mm water connection	Per month	R 362.00	R 395.00	9.1%
50 mm water connection	Per month	R 524.00	R 571.00	9.0%
80 mm water connection	Per month	R 1 225.00	R 1 335.00	9.0%
Basic Per Connections - Septic Tanks				
Basic - All Septic Tank Consumers	Per erf p/m	R 146.00	R 159.00	8.9%
Basic - Septic Tank Consumers - 15% rebate	Per erf p/m	R 124.00	R 135.00	8.9%
Conservancy / Septic Tanks - Withdrawals				
Tariff - withdrawal - All consumers	Per withdrawal	R 255.00	R 277.00	8.6%
After hours	Per withdrawal	R 510.00	R 555.00	8.8%

HESSEQUA MUNISIPALITEIT

2019 -05- 29

Postbus 29, Riversdale 65076



1.8.5 PROPERTY RATES

Revenue from property rates is used to fund services that benefit to the community as a whole as opposed to individual households. These include "non-income generating services/functions" such as streets in town, parks and amenities, administration of the provision of general services. Determining an effective property rate tariff i.t.o. the Municipal Property Rates Act of 2004 and Municipal Property Rates Regulations, 2006, is therefore an integral part of the municipality's budgeting process.



Tariffs Increase 9% as set out below. The cost of rebates, not compulsory by legislation, is R7.2 million. This excludes property that qualifies as Indigent.

The "Amended Municipal Property Rates Regulations on the rate ratios between residential and non-residential properties came into effect on 1 July 2009 and prescribe the rate ratio for Public Benefit Organisations, Agricultural properties and Public service Infrastructure relative to residential properties to be 1:0.25.

The MPRA Amendment Act came into effect on 1 July 2015 and the implementation of the Public Service Purposes Infrastructure (PSP) can have serious financial implications in future years. The reason is that the current tariffs for government property is more than that of Residential/Business tariffs. If an announcement in this regard is made, Municipalities will not be able to differentiate between normal Residential/Business properties and that of Government Properties. Provision has already been made in previous budgets to bring tariffs of state owned property closer to those of residential and business properties

Council has been busy over the last 2 years with bringing the residential and commercial tariffs of state departments closer to the tariffs applicable to normal residential and commercial properties. Instead of the 9% increase in property rates for all properties in the budget for 2019/20, the increase in tariffs for state departments has been capped at ±6.63%. Although this is a slow process, it will be equalised eventually. The application of the lower increase will cost Council ±R75 029 in the 2019/20 financial year.

Council implemented the new valuation roll on 1 July 2014 and this is the sixth year on this roll. Because of the huge cost to compile a new valuation roll and to implement it, application was made the previous year for the extension of the existing roll and this was approved Western Cape Government. A new valuation roll will be implemented on 1 July 2021 and this budget makes provision for this. The current valuation roll will be effective for the last time during 2020/2021. The process that will be followed with the new roll will be communicated by newsletter, website and local media.

Tariffs in the draft budget is as follows:

The following table reflects:

- Valuation roll
- Current tariff
- Expected revenue 2018/19
- Tariff – Draft Budget 2019/20
- Draft Budget Income – new tariffs 2019/20
- Tariff Increase %



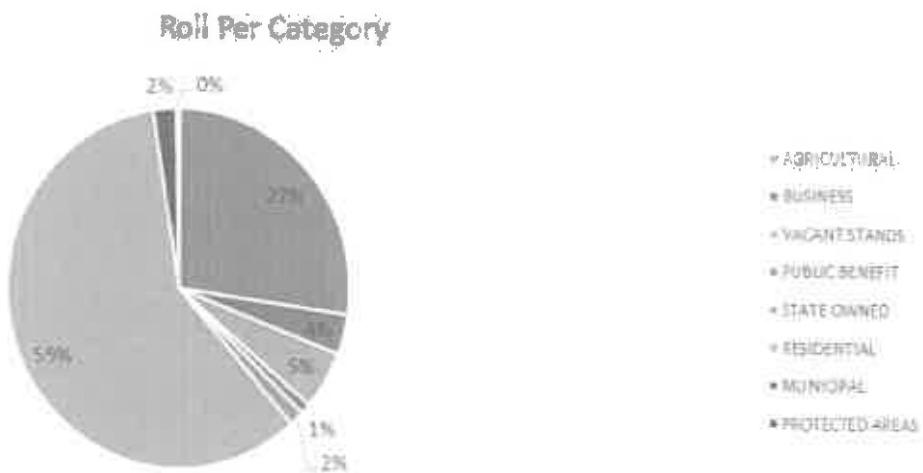
	Valuation Roll	Current Tariff	Expected 18/19	Tariffs Draft Budget 2019/20	Draft Budget - Income - new tariffs	Tariff Increase
Business	519 694 000	0.007858	4 083 755	0.008565	4 451 179	9.00
Farm Properties	3 616 096 365	0.001919	6 939 289	0.002092	7 564 874	9.02
Farm Properties - Business	39 060 000	0.007858	306 933	0.008565	334 549	9.00
Farm Properties - Lifestyle	293 013 000	0.007678	2 249 754	0.008369	2 452 226	9.00
Government	201 887 500	0.015696	3 168 826	0.016737	3 378 991	6.63
Municipal/Non Rateable	313 417 800	0.000000	0	0.000000	0	0.00
Protected areas	46 563 408	0.000000	0	0.000000	0	0.00
Public Benefit	111 829 800	0.000000	0	0.000000	0	0.00
Public Benefit	6 665 000	0.001919	12 790	0.002092	13 943	9.02
Public Service Infrastructure	19 460 480	0.000000	0	0.000000	0	0.00
Residential Improved	8 561 597 851	0.007678	65 675 389	0.008369	72 152 012	9.00
Vacant	759 480 401	0.015355	11 661 822	0.016737	12 711 423	9.00
	14 488 765 605		94 098 559		103 059 198	

Income per Category	%
Business	4.32
Farm Properties	7.34
Farm Properties Business/Lifestyle	2.70
Government	3.28
Public Benefit	0.01
Residential Improved	70.01
Vacant	12.33
	100.00



Valuation Roll

The following table reflects the percentage represented by the various categories of the roll.



The % revenue from the various towns for the current year as well as for the 2019/20 budget is as follows:

	Draft Budget 2019/20	Budget 2018/19	Draft Budget 2019/20	Budget 2018/19
	%	%	R	R
Albertinia	4.32	4.38	4 426 499	
Gourismond	3.92	3.95	4 022 106	
Heidelberg/Witsand	15.18	15.25	15 573 074	
Rural	12.02	12.02	12 331 780	
Riversdal	10.26	10.36	10 519 407	
Slangrivier	0.45	0.45	459 098	
Stilbaai/Jingensfontein/Melkhoutfontein	53.85	53.59	55 227 238	
	100	100	102 559 201	0

Proposed Rebates 2019/20

- R50,000 Residential Valuation Rebate – the MPRA requires a R15,000 rebate and Hessequa gives an extra R35,000 per residential property.
- The Municipality awards a 100 per cent grant-in-aid on the assessment rates of rateable properties of certain classes such as registered welfare organizations, etc. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.
- 10% rebate on commercial and residential properties in rural areas (residential calculated after the deduction of the valuation rebate)

Pensioners rebate

The Municipality grants a rebate, to be determined on an annual basis, for retired and disabled persons that do not qualify in terms of Council's approved Indigent Policy. For the 2019/20 financial year rebates will be applied as follows:

- | |
|--|
| (a) Gross income (prior to any deductions, excluded medical aid contributions to a medical scheme registered in terms of the Medical Schemes Act)
R0 – R3 500 per month – 25%; and |
| (b) Gross income (prior to any deductions, excluded medical aid contributions to a medical scheme registered in terms of the Medical Schemes Act)
R3 501 to R8 000 per month – 15%. |

Additional rebates for owners who qualify in terms of above table (additional on balance of rates) can be granted to owners or usufructuaries if they can be categorised in one of the following age categories:-

- (a) 60 to 75 years – 25%;
- (b) 76 to 85 years – 35%; and
- (c) 86 years and older – 50% (2018/19 = 40%)



The former tariffs as applied to accounts, is reflected in the following table.

Rates Tariff history for the last 3 years and the three years of the MTREF period

CATEGORY	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Residential Properties	0.006582	0.007109	0.007678	0.008369	0.009122	0.009943
Vacant Plots	0.011469	0.012387	0.015355	0.016737	0.018243	0.019885
Agricultural	0.001645	0.001777	0.001919	0.002092	0.002280	0.002485
State	0.014512	0.015673	0.015696	0.016737	0.017909	0.019162
Business	0.006737	0.007276	0.007858	0.008565	0.009336	0.010176

2017/18	Average increase	8%	Increase for state owned property 4%
2018/19	Average increase	8%	Increase for empty plots 24%/state owned property 4%
2019/20	Average increase	9%	Increase for state owned property 6.63%
2020/21	Average increase	9%	Increase for state owned property 6.63%
2021/22	Average increase	9%	Increase for state owned property 6.63%



WC042 Hessequa - Supporting Table SA14 Household bills

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20 % Incr.	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Rand/cent											
<u>Monthly Account for Household - Middle Income Range'</u>	1										
Rates and services charges:											
Property rates		333.18	356.53	385.07	415.89	415.89	415.89	9.0%	453.32	489.59	528.75
Electricity: Basic levy		352.20	379.20	381.00	403.80	403.80	403.80	9.5%	442.20	477.58	515.78
Electricity: Consumption		1 349.00	1 428.75	1 477.30	1 578.25	1 578.25	1 578.25	13.0%	1 784.15	1 928.88	2 081.03
Water: Basic levy		97.00	104.00	112.00	125.00	125.00	125.00	12.0%	140.00	151.20	163.30
Water: Consumption		171.75	183.75	198.45	222.30	222.30	222.30	11.9%	248.85	268.76	290.28
Sanitation		118.00	125.00	135.00	146.00	146.00	146.00	8.8%	159.00	171.72	185.46
Refuse removal		91.00	97.00	112.00	129.00	129.00	129.00	14.7%	148.00	159.84	172.63
Other											
	sub-total	2 512.13	2 674.23	2 800.82	3 020.24	3 020.24	3 020.24	11.8%	3 375.52	3 645.58	3 937.21
VAT on Services		305.05	324.48	338.21	360.65	360.65	360.65		438.33	473.40	511.27
Total large household bill:		2 817.18	2 998.70	3 139.03	3 410.89	3 410.89	3 410.89	11.8%	3 813.85	4 118.96	4 448.48
% increase/-decrease		6.4%	4.7%	8.7%	(0.0%)	-	-		11.8%	8.0%	5.8%
<u>Monthly Account for Household - Affordable Range'</u>	2										
Rates and services charges:											
Property rates		230.68	246.83	268.59	287.93	287.93	287.93	9.0%	313.84	338.94	368.06
Electricity: Basic levy		352.20	379.20	381.00	403.80	403.80	403.80	9.5%	442.20	477.58	515.78
Electricity: Consumption		547.80	566.45	598.50	639.35	639.35	639.35	13.0%	722.65	780.46	842.90
Water: Basic levy		97.00	104.00	112.00	125.00	125.00	125.00	12.0%	140.00	151.20	163.30
Water: Consumption		141.25	151.10	163.20	182.80	182.80	182.80	20.6%	204.65	221.02	238.70
Sanitation		118.00	125.00	135.00	146.00	146.00	146.00	8.8%	159.00	171.72	185.46
Refuse removal		91.00	97.00	112.00	129.00	129.00	129.00	14.7%	148.00	159.84	172.63
Other											
	sub-total	1 577.91	1 689.58	1 784.28	1 913.88	1 913.88	1 913.88	11.3%	2 130.34	2 300.78	2 484.63
VAT on Services		202.09	213.41	225.26	243.89	243.89	243.89		272.48	294.27	317.81
Total small household bill:		1 780.00	1 882.99	1 993.54	2 157.77	2 157.77	2 157.77	11.4%	2 402.81	2 595.04	2 802.64
% increase/-decrease		5.8%	5.8%	5.8%	8.2%	-	-		11.4%	8.0%	8.0%
<u>Monthly Account for Household - Indigent</u>	3										
Household receiving free basic services											
Rates and services charges:											
Property rates		127.85	137.13	148.10	159.86	159.86	159.86	9.0%	174.35	188.30	203.37
Electricity: Basic levy											
Electricity: Consumption		288.50	319.80	325.60	347.70	347.70	347.70	8.0%	388.70	398.20	430.05
Water: Basic levy		97.00	104.00	112.00	125.00	125.00	125.00	12.0%	140.00	151.20	163.30
Water: Consumption		78.65	84.13	90.87	101.78	101.78	101.78	12.0%	113.95	123.07	132.91
Sanitation		118.00	125.00	135.00	146.00	146.00	146.00	8.9%	159.00	171.72	185.46
Refuse removal		91.00	97.00	112.00	129.00	129.00	129.00	14.7%	148.00	159.84	172.63
Other											
	sub-total	811.00	867.08	923.47	1 009.44	1 009.44	1 009.44	9.4%	1 104.00	1 182.32	1 287.71
VAT on Services		102.47	109.49	116.31	127.42	127.42	127.42		139.45	150.60	162.65
Total small household bill:		913.48	976.54	1 039.78	1 136.88	1 136.88	1 136.88	9.4%	1 243.45	1 342.93	1 450.38
% increase/-decrease		6.9%	6.5%	8.3%	-	-	-		9.4%	8.0%	8.0%



There was a request from the committee that examples of the impact of tariffs on accounts in the area should be provided. The following for perusal:

DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 1 - STILL BAY-EAST								
Property Market Value : R1,503,000	686.42	744.78	796.97	860.78	929.68	8%	1 013.35	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	362.20	379.20	381.00	403.80	6%	442.20	10%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	224.87	247.20	265.20	274.75	318.02		356.26	
Monthly Services Account	1 831.07	2 012.90	2 159.45	2 237.25	2 438.12	9%	2 731.31	12%
Total Monthly (Property Rates + Services)	2 517.49	2 757.68	2 958.42	3 098.03	3 367.78	9%	3 744.85	11%
Monthly R/C Increase		240.19	198.73	141.82	269.76		376.86	
MELKHOUTFONTEIN - Deernishulp								
Market Value : R47,000	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Basic: 20mm Connection (Indigent Free)	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Consumption: 20kl water (6kl Free)	72.80	78.65	84.13	90.87	101.78	12%	113.95	12%
Electricity Basic : 20Amps (Prepaid basic - free)	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Electricity Consumption 350kWh (50kW free).	278.10	298.50	319.80	325.50	347.70	7%	368.70	8%
Basic - Sewerage	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Basic - Refuse	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
VAT	49.13	52.80	56.55	58.29	67.42		72.40	
Monthly Services Account	400.03	429.95	480.48	474.68	516.90	9%	555.05	7%
Total Monthly (Property Rates + Services)	400.03	429.95	480.48	474.68	516.90	9%	555.05	7%
Monthly R/C Increase		29.92	30.53	14.18	42.24		38.15	
WARD 1 - STILL BAY-WEST (EMPTY STAND)								
Property Market Value : R1,250,000	987.90	1 071.90	1 146.90	1 238.70	1 535.50	24%	1 673.70	9%
Availability Fees								
Electricity	205.00	221.00	236.92	255.83	276.25	8%	312.42	13%
Water	90.00	97.00	102.75	111.00	124.25	12%	134.25	8%
Sewerage	108.00	118.00	122.67	132.50	143.08	8%	156.00	9%
VAT	58.42	61.04	64.73	69.91	81.54		90.40	
Monthly Services Account	489.42	497.04	527.06	509.24	625.12	10%	693.07	11%
Total Monthly (Property Rates + Services)	1 447.32	1 588.94	1 673.96	1 807.94	2 160.62	20%	2 366.77	10%
Monthly R/C Increase		121.62	105.02	133.98	352.68		206.15	



DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
GOURITSMOND								
Market Value : R1,128,500	508.56	551.80	590.48	637.74	688.78	8%	750.77	9%
Water Basic : 20mm Connection	80.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl	102.50	110.75	118.45	127.95	143.30	12%	160.45	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	352.20	379.20	381.00	403.80	8%	442.20	10%
Electricity Consumption 650kWh.	700.10	770.45	827.40	842.75	900.30	7%	1 017.98	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	196.36	215.52	231.15	239.50	277.11		310.14	
Monthly Services Account	1 598.96	1 754.92	1 882.20	1 950.20	2 124.51	9%	2 377.77	12%
Total Monthly (Property Rates + Services)	2 107.52	2 306.71	2 472.66	2 587.93	2 813.29	9%	3 128.54	11%
Monthly R/C Increase		199.19	165.95	115.28	225.36		315.25	
FARM - WARD 1								
Market Value: R358,000								
Category: VAFARA (Agricultural)	42.04	45.51	48.80	52.72	56.93	8%	62.06	9%
Monthly R/C Increase		3.47	3.29	3.92	4.21		5.13	
GOURITSMOND								
Market Value: R1,980,000	911.76	989.29	1 058.61	1 143.36	1 234.88	8%	1 348.01	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Prepaid meter)	134.31	164.56	178.26	179.07	189.79	8%	207.83	10%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage (Septic tank)	53.00	58.00	61.00	135.00	148.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	191.03	212.53	228.10	246.48	285.91		321.10	
Monthly Services Account	1 555.54	1 730.59	1 857.41	2 007.05	2 192.00	9%	2 461.78	12%
Total Monthly (Property Rates + Services)	2 487.31	2 719.87	2 816.02	3 150.41	3 426.88	9%	3 807.80	11%
Monthly R/C Increase		252.57	196.14	234.40	276.47		380.91	



DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 2								
ALBERTINIA								
Market Value: R812,000	359.98	390.59	417.96	451.42	487.55	8%	531.43	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Prepaid meter)	134.31	164.56	178.26	179.07	189.79	6%	207.83	10%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	198.73	220.93	237.06	246.48	265.91		321.10	
Monthly Services Account	1 618.24	1 798.99	1 930.37	2 007.05	2 192.00	9%	2 461.78	12%
Total Monthly (Property Rates + Services)	1 978.22	2 189.58	2 348.33	2 488.47	2 679.56	9%	2 993.21	12%
Monthly R/C Increase		211.35	188.75	110.14	221.09		313.66	
THERONSVILLE								
Market Value: R68,500	8.74	9.48	10.15	10.98	11.84	8%	12.90	9%
Water Connection : 20mm	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 20kl.	102.50	110.75	118.45	127.95	143.30	12%	160.45	12%
Electricity Basic : 40A connection (Prepaid meter)	101.34	133.40	144.60	155.00	174.00	12%	207.83	19%
Electricity Consumption 300kWh.	268.70	288.05	308.40	313.85	335.25	7%	379.07	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	16%
VAT	105.22	117.35	125.63	133.81	157.88		179.16	
Monthly Services Account	856.76	955.55	1 022.98	1 089.61	1 210.43	11%	1 373.50	13%
Total Monthly (Property Rates + Services)	865.50	965.03	1 033.13	1 100.57	1 222.27	11%	1 386.40	13%
Monthly R/C Increase		99.54	68.10	67.45	121.70		164.14	
RAINBOWVILLAGE - Deernishulp								
Market Value: R22,000	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Connection : 20mm	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Consumption = 20kl.	72.80	78.65	84.13	90.87	101.78	12%	113.95	12%
Electricity Basic : 40A connection (Prepaid meter)	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Electricity Consumption 350kWh (50kW free).	278.10	298.50	319.80	325.50	347.70	7%	368.70	6%
Basic - Sewerage	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Basic - Refuse	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
VAT	49.13	52.80	56.55	58.29	67.42		72.40	
Monthly Services Account	400.03	429.95	460.48	474.66	516.90	9%	555.05	7%
Total Monthly (Property Rates + Services)	400.03	429.95	460.48	474.66	516.90	9%	555.05	7%
Monthly R/C Increase		29.92	30.53	14.18	42.24		38.15	



DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 3								
JONGENSFONTEIN								
Market Value: R2,052,000	945.78	1 026.18	1 098.10	1 166.02	1 280.95	8%	1 396.23	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	362.20	379.20	381.00	403.80	6%	442.20	10%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	224.87	247.20	265.20	274.75	318.02		356.26	
Monthly Services Account	1 831.07	2 012.90	2 159.45	2 237.25	2 438.12	8%	2 731.31	12%
Total Monthly (Property Rates + Services)	2 776.85	3 039.09	3 257.54	3 423.27	3 719.06	9%	4 127.54	11%
Monthly R/C Increase		262.24	218.45	165.73	295.79		408.47	
STILBAAI/WVES								
Market Value: R1,214,500	550.13	596.90	638.73	689.87	745.09	8%	812.14	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 25kl.	130.75	141.25	151.10	163.20	182.80	12%	204.65	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	352.20	379.20	381.00	403.80	6%	442.20	10%
Electricity Consumption 700kWh.	773.65	853.10	916.36	933.40	997.15	7%	1 127.49	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	210.62	231.36	248.17	257.12	297.56		333.20	
Monthly Services Account	1 715.02	1 883.91	2 020.82	2 093.72	2 281.31	9%	2 554.54	12%
Total Monthly (Property Rates + Services)	2 265.15	2 480.81	2 659.55	2 783.59	3 026.40	9%	3 386.68	11%
Monthly R/C Increase		215.67	178.74	124.04	242.81		340.28	
FARM - WARD 3								
Market Value: R680,000								
Category: VAFARA (Agricultural)	80.30	86.93	93.22	100.70	108.74	8%	118.55	9%
Monthly R/C Increase		6.63	6.29	7.48	8.05		9.80	
FARM WARD 3 - AGRI LIFESTYLE								
Market Value: R8,870,500								
Category: Agricultural Lifestyle (Residential)	4 666.77	5 063.55	5 418.36	5 852.19	6 320.59	8%	6 889.43	9%
Monthly R/C Increase		396.79	354.80	433.83	468.41		568.84	



DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 4								
WITSAND								
Market Value: R1,873,500	766.97	832.18	890.49	961.79	1 038.77	8%	1 132.26	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	352.20	379.20	381.00	403.80	6%	442.20	10%
Electricity Consumption 700kWh.	773.65	853.10	916.35	933.40	997.15	7%	1 127.49	13%
Basic - Sewerage (Septic tank)	53.00	58.00	61.00	135.00	148.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	206.87	227.23	243.78	262.06	303.49		339.83	
Monthly Services Account	1 684.52	1 850.28	1 985.08	2 133.91	2 326.74	9%	2 605.37	12%
Total Monthly (Property Rates + Services)	2 451.49	2 682.46	2 875.57	3 095.70	3 365.51	9%	3 737.53	11%
Monthly R/C Increase		230.97	193.12	220.13	269.81		372.12	
WARD 4								
WITSAND								
Market Value: R1,367,500	622.41	675.33	722.65	780.51	842.98	8%	916.85	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	352.20	379.20	381.00	403.80	6%	442.20	10%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage (Septic tank)	53.00	58.00	61.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	217.17	238.80	256.24	274.75	318.02		356.26	
Monthly Services Account	1 768.37	1 944.50	2 086.49	2 237.25	2 438.12	9%	2 731.31	12%
Total Monthly (Property Rates + Services)	2 380.78	2 619.83	2 809.13	3 017.76	3 281.10	9%	3 650.15	11%
Monthly R/C Increase		229.05	189.31	208.63	263.34		369.06	
WITSAND - Deemshulp								
Market Value : R1,347,000	411.24	318.06	340.34	189.87	205.07	8%	223.52	9%
Water Basic: 20mm Connection (Indigent Free)	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Consumption: 20kl water (6kl Free)	72.80	78.65	84.13	90.87	101.78	12%	113.95	12%
Electricity Basic : 80Amps (Prepaid basic - free)	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Electricity Consumption 350kWh (50kW free).	278.10	298.50	319.80	325.50	347.70	7%	368.70	6%
Basic - Sewerage	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Basic - Refuse	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
VAT	49.13	52.80	56.55	58.29	67.42		72.40	
Monthly Services Account	400.03	429.95	460.48	474.68	518.90	9%	555.05	7%
Total Monthly (Property Rates + Services)	811.26	748.01	800.82	864.53	721.97	9%	778.57	8%
Monthly R/C Increase		-63.26	52.82	-136.29	57.44		56.60	



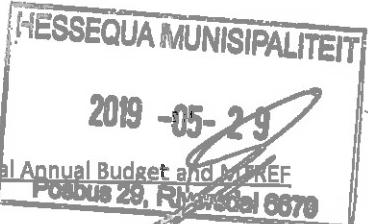
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DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increases
WARD 4								
JOE SLOVO PARK								
Market Value : R30,000	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Connection : 20mm	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 20kl.	102.50	110.75	118.45	127.95	143.30	12%	160.45	12%
Electricity Basic : 40A connection (Prepaid meter)	101.97	133.40	144.50	155.00	174.00	12%	207.83	19%
Electricity Consumption 300kWh.	268.70	288.05	308.40	313.85	335.25	7%	379.07	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	8%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	105.30	117.35	125.63	133.81	157.88		179.15	
Monthly Services Account	857.47	955.55	1 022.98	1 089.61	1 210.43	11%	1 373.50	13%
Total Monthly (Property Rates + Services)	857.47	955.55	1 022.98	1 089.61	1 210.43	11%	1 373.50	13%
Monthly R/C Increase		98.07	67.43	66.63	120.82		163.07	
SLANGRIVIER								
Market Value: R43,000	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Connection : 20mm	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 15kl.	74.25	80.25	85.80	92.70	103.80	12%	116.25	12%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	8%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	49.48	54.08	57.65	63.24	75.57		84.49	
Monthly Services Account	402.71	440.33	469.45	514.94	579.37	13%	647.74	12%
Total Monthly (Property Rates + Services)	402.71	440.33	469.45	514.94	579.37	13%	647.74	12%
Monthly R/C Increase		37.62	29.13	45.49	64.43		68.37	
WARD 5 - HEIDELBERG (EMPTY STAND)								
Property Market Value : R250,000	164.65	178.65	191.15	208.45	255.92	24%	278.95	9%
Availability Fees								
Electricity	205.00	221.00	238.92	255.83	276.25	8%	312.42	13%
Water	90.00	97.00	102.75	111.00	119.83	8%	134.25	12%
Sewerage	108.00	118.00	122.67	132.50	143.08	8%	158.00	9%
VAT	58.42	61.04	64.73	69.91	80.88		90.40	
Monthly Services Account	488.42	497.04	527.06	569.24	620.04	8%	693.07	12%
Total Monthly (Property Rates + Services)	624.07	675.89	718.21	775.89	875.96	13%	972.02	11%
Monthly R/C Increase		51.62	42.52	57.48	100.27		96.06	
WARD 5								
HEIDELBERG-OOS								
Market Value: R153,500	48.80	53.05	58.77	61.32	68.22	8%	72.18	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 25kl.	130.75	141.25	151.10	163.20	182.80	12%	204.85	12%
Electricity Basic : 40A connection (Conventional meter)	240.75	285.28	307.15	329.00	369.00	12%	442.20	20%
Electricity Consumption 500kWh.	501.95	547.80	587.75	598.50	639.35	7%	722.92	13%
Basic - Sewerage (Septic tank)	53.00	58.00	61.00	136.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	153.64	170.85	183.12	202.98	238.67		272.52	
Monthly Services Account	1 251.09	1 391.18	1 491.12	1 652.66	1 829.82	11%	2 089.29	14%
Total Monthly (Property Rates + Services)	1 299.99	1 444.23	1 547.89	1 713.97	1 896.05	11%	2 161.47	14%
Monthly R/C Increase		144.24	103.08	166.08	182.07		265.42	

DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 6								
RIVERSDAL								
Market Value: R1,487,500	669.85	726.59	777.50	839.75	906.96	8%	988.59	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 45A connection (Conventional meter)	240.75	285.28	307.15	329.00	369.00	12%	442.20	20%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	148.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	213.63	237.83	255.11	267.47	312.80		356.26	
Monthly Services Account	1 739.58	1 936.61	2 077.31	2 177.97	2 398.10	10%	2 731.31	14%
Total Monthly (Property Rates + Services)	2 409.23	2 663.20	2 854.81	3 017.72	3 305.06	10%	3 710.80	13%
Monthly R/C Increase		253.96	191.81	162.91	287.34		414.84	
WARD 6 - RIVERSDAL (EMPTY STAND)								
Property Market Value : R350,000	246.98	267.98	286.73	309.88	383.88	24%	418.43	9%
Availability Fees								
Electricity	205.00	221.00	236.92	265.83	276.25	8%	312.42	13%
Water	90.00	97.00	102.75	111.00	119.83	8%	134.25	12%
Sewerage	108.00	118.00	122.67	132.50	143.08	8%	156.00	9%
VAT	56.42	61.04	64.73	69.91	80.88		90.40	
Monthly Services Account	459.42	497.04	527.06	589.24	620.04	9%	693.07	12%
Total Monthly (Property Rates + Services)	706.40	765.02	813.79	878.92	1 003.92	14%	1 111.49	11%
Monthly R/C Increase		58.62	48.77	65.13	125.00		107.58	
WARD 6								
RIVERSDAL								
Market Value: R887 500	291.72	316.52	338.70	365.82	395.10	8%	430.65	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 25kl.	130.75	141.25	151.10	163.20	182.80	12%	204.65	12%
Electricity Basic : 40A connection (Prepaid meter)	101.34	133.40	144.50	155.00	174.00	12%	207.83	19%
Electricity Consumption 500kWh.	501.95	547.80	587.75	598.50	639.35	7%	722.92	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	141.83	157.98	169.31	178.60	209.42		237.36	
Monthly Services Account	1 184.87	1 286.43	1 378.66	1 454.30	1 605.57	10%	1 819.76	13%
Total Monthly (Property Rates + Services)	1 446.58	1 602.95	1 717.36	1 820.12	2 000.67	10%	2 250.41	12%
Monthly R/C Increase		156.37	114.40	102.76	180.55		249.75	





DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 7								
RIVERSDAL								
Market Value: R2,404,500	1 112.31	1 206.88	1 291.44	1 384.85	1 508.49	8%	1 642.07	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Conventional meter)	448.00	530.85	630.65	588.00	637.00	12%	752.00	18%
Electricity Consumption 650kWh.	700.10	770.45	827.40	842.75	900.30	7%	1 017.98	13%
Basic - Sewerage	108.00	116.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	221.77	248.04	261.49	275.55	323.94		369.87	
Monthly Services Account	1 806.87	2 027.89	2 129.29	2 243.75	2 483.54	11%	2 636.70	14%
Total Monthly (Property Rates + Services)	2 918.18	3 234.77	3 420.74	3 638.59	3 890.03	10%	4 477.77	12%
Monthly R/C Increase		316.89	186.97	217.86	361.43		437.74	
WARD 7								
RIVERSDAL								
Market Value: R665,500	243.53	264.24	282.75	305.39	329.83	8%	369.52	8%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Prepaid meter)	134.31	164.56	178.28	179.07	189.79	6%	207.83	10%
Electricity Consumption 600kWh.	626.55	687.80	738.45	752.10	803.45	7%	908.47	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	167.84	186.22	199.70	208.41	242.33		271.82	
Monthly Services Account	1 386.70	1 516.33	1 626.18	1 697.03	1 857.57	9%	2 083.97	12%
Total Monthly (Property Rates + Services)	1 610.23	1 750.56	1 908.92	2 002.42	2 187.71		2 443.49	12%
Monthly R/C Increase		170.33	128.35	93.60	185.29		285.79	
WARD 8								
RIVERSDAL								
Market Value: R341,500	137.71	149.42	159.89	172.89	186.51	8%	203.30	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 20kl.	102.50	110.75	118.45	127.96	143.30	12%	160.45	12%
Electricity Basic : 60A connection (Prepaid meter)	134.31	164.56	178.28	179.07	189.79	6%	207.83	10%
Electricity Consumption 500kWh.	501.85	547.80	587.75	598.50	639.35	7%	722.92	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	142.49	158.08	169.46	177.03	205.87		230.73	
Monthly Services Account	1 100.25	1 287.19	1 379.92	1 441.55	1 578.31	9%	1 768.93	12%
Total Monthly (Property Rates + Services)	1 297.86	1 438.80	1 539.81	1 614.24	1 764.82		1 972.23	12%
Monthly R/C Increase		138.85	103.21	74.43	160.88		207.41	
WARD 8								
MORESTOND (Deernishule)								
Market Value: R65,500	0,00	0,00	0,00	0,00	0,00	#DIV/0!	0,00	#DIV/0!
Water Basic: 20mm Connection	0,00	0,00	0,00	0,00	0,00	#DIV/0!	0,00	#DIV/0!
Water Consumption = 15kl.	44.55	48.15	51.48	55.82	62.28	12%	69.75	12%
Electricity Basic : 40A connection (Prepaid meter)	0,00	0,00	0,00	0,00	0,00	#DIV/0!	0,00	#DIV/0!
Electricity Consumption 350kWh (50kW free).	278.10	298.50	319.80	325.50	347.70	7%	368.70	8%
Basic - Sewerage	0,00	0,00	0,00	0,00	0,00	#DIV/0!	0,00	#DIV/0!
Basic - Refuse	0,00	0,00	0,00	0,00	0,00	#DIV/0!	0,00	#DIV/0!
VAT	45.17	48.53	51.98	53.36	61.50		65.77	
Monthly Services Account	387.82	395.18	423.26	434.48	471.48	9%	504.22	7%
Total Monthly (Property Rates + Services)	387.82	395.18	423.26	434.48	471.48		504.22	7%
Monthly R/C Increase		27.38	28.08	11.22	37.00		32.74	

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Hessequa Municipality

2019/20 Final Annual Budget and Management Report
Pobas 23, Nelspruit 16670

DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % increase	2019/2020	2019/2020 % increase
WARD 8								
ALDERIDGE								
Market Value: R85,500	16.77	18.20	19.47	21.03	22.71	8%	24.76	8%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 20kl.	102.50	110.75	118.45	127.95	143.30	12%	160.45	12%
Electricity Basic : 40A connection (Prepaid meter)	101.34	133.40	144.50	155.00	174.00	12%	207.83	19%
Electricity Consumption 500kVh.	501.95	547.80	587.75	598.50	639.35	7%	722.92	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	16%	148.00	16%
VAT	137.87	153.71	164.74	173.66	203.50		230.73	
Monthly Services Account	1 122.66	1 251.66	1 341.44	1 414.11	1 560.16	10%	1 768.93	13%
Total Monthly (Property Rates + Services)	1 139.43	1 269.86	1 360.91	1 435.14	1 582.86			
Monthly R/C Increase		130.43	91.05	74.23	147.72		1 793.69	13%
								210.83
WARD 9								
HEIDELBERG DORP								
Market Value: R85,500	16.77	18.20	19.47	21.03	22.71	8%	24.76	8%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 20kl.	102.50	110.75	118.45	127.95	143.30	12%	160.45	12%
Electricity Basic : 40A connection (Prepaid meter)	101.34	133.40	144.50	155.00	174.00	12%	207.83	19%
Electricity Consumption 500kVh.	501.95	547.80	587.75	598.50	639.35	7%	722.92	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	16%	148.00	16%
VAT	137.87	153.71	164.74	173.66	203.50		230.73	
Monthly Services Account	1 122.66	1 251.66	1 341.44	1 414.11	1 560.16	10%	1 768.93	13%
Total Monthly (Property Rates + Services)	1 139.43	1 269.86	1 360.91	1 435.14	1 582.86			
Monthly R/C Increase		130.43	91.05	74.23	147.72		1 793.69	13%
								210.83
FARM - WARD 8								
Market Value: R850,000								
Category: VAFARA (Agricultural)	80.30	86.83	93.22	100.70	108.74	8%	118.55	9%
Monthly R/C Increase		6.63	6.29	7.48	8.06		9.80	
FARM WARD 8 - AGRI LIFESTYLE								
Market Value: R5 875,500								
Category: Agricultural Lifestyle (Residential)	4 686.77	5 083.55	5 418.36	5 852.19	6 320.59	8%	6 889.43	9%
Monthly R/C Increase		396.79	354.80	433.83	468.41		568.84	
WARD 9								
HEIDELBERG								
Market Value: R1,170,500	529.34	574.35	614.59	663.80	716.93	8%	781.46	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	352.20	379.20	381.00	403.80	8%	442.20	10%
Electricity Consumption 750kVh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage (Septic Tank)	53.00	58.00	61.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	16%	148.00	16%
VAT	217.17	238.80	256.24	274.75	318.02		356.28	
Monthly Services Account	1 768.37	1 944.80	2 086.49	2 237.25	2 438.12	9%	2 731.31	12%
Total Monthly (Property Rates + Services)	2 297.71	2 518.85	2 701.08	2 901.05	3 155.05		3 512.78	11%
Monthly R/C Increase		221.14	182.23	199.97	254.00		357.71	

1.8.6 CARAVAN PARKS



The operational budget for the 2019/2020 financial year makes provision for the following tariff increases with effect 1 July 2019:

- ❖ In-season : Between 6 – 7.5%
- ❖ Out of season : Between 6 – 7.5%
- ❖ Takkieskloof Caravan Park:

A Tender was advertised during March 2019 to request development proposals from developers to upgrade and operate the Caravan Park for a period of 30 years.

(All tariffs were rounded to the nearest R10)

Revenue and Expenditure Caravan Parks

The net deficit shows an decrease from R2.673 million in 2018/19 financial year to R1.254 million in the 2019/20 financial year. The main reason for the decrease in the operating deficit are due to the increase in budgeted income based on an increase in the occupation levels of the Caravan Parks.

Credit Control and Debt Collection Policy & By-Law

Section 18(4) presently reads as follows:-

"Only cash, electronic transfers (EFT), credit- or debit cards will be accepted as payment at the municipal resorts, regardless of whether a customer has a municipal account."

Due to the high cost of transfer of cash from pay points to the bank no cash will be accepted as payment at municipal resorts from 1 July 2019. This section will have to be amended by withdrawing the word "cash". This policy will be workshop with Council during April 2019 to amend this.

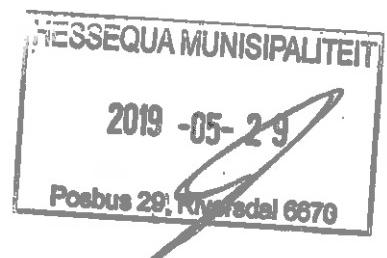
CARAVAN PARKS	Budget 2018/19	Budget 2019/20
Total Caravan Parks Revenue	11 229 402	13 605 960
Total Caravan Parks Expenditure	13 904 099	14 859 729
NETT PROFIT / (LOSS)	-2 674 697	-1 253 769
Percentage Gross Loss	-19.24%	-8.44%

Through the operational budget, the following projects will be funded at the various camps:

1. Contractors will be appointed to perform cleaning and security services.
2. Contractors will be appointed to perform various maintenance works on Municipal buildings.
3. Materials and equipment will be purchased to perform maintenance activities.
4. Cleaning material will be purchased.
5. Temporary wages and overtime will be paid to temporary workers and employees.

The following are a summary of the budgeted amounts on the capital budget for the different caravan parks in the 2019/2020 financial year:

CAMP	AMOUNT
PREEKSTOEL	R 685 000
JONGENSFONTEIN	R 144 000
ELLENSRUST	R 215 000
GOURITSMOND	R 50 000
MIDDELKAMP	R 30 000
HESSEQUA	R 565 000



1.9 OPERATING EXPENDITURE FRAMEWORK

The following table is a high level summary of the 2019/20 budget and MTREF (classified per main type of operating expenditure):

Table A4: Summary of operating expenditure by standard classification Item- (NT – supporting tables)

WC042 Hessequa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description R thousand	Ref 1	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Expenditure By Type											
Employee related costs	2	116 414	127 791	150 458	168 385	165 198	165 196	165 198	186 234	198 990	212 769
Remuneration of councillors		6 047	6 484	7 202	8 050	8 050	8 050	8 050	8 330	8 814	9 538
Debt Impairment	3	38 268	47 471	34 348	59 530	59 530	59 530	59 530	41 606	42 738	44 967
Depreciation & asset impairment	2	24 636	25 584	30 044	35 860	35 860	35 860	35 860	34 743	36 035	38 119
Finance charges		13 695	17 723	18 822	20 698	21 180	21 180	21 180	21 539	26 859	27 923
Bulk purchases	2	85 599	87 870	89 362	102 049	94 197	94 197	94 197	108 897	125 893	142 982
Other materials	8	–	20 070	19 238	19 459	27 202	27 202	27 202	29 833	31 948	34 696
Contracted services		4 504	38 735	32 193	29 303	35 872	35 872	35 872	32 684	47 738	55 402
Transfers and subsidies		–	865	1 055	987	1 155	1 155	1 155	1 247	1 480	1 323
Other expenditure	4, 5	49 593	18 124	22 055	30 573	30 400	30 400	30 400	32 466	34 088	35 877
Loss on disposal of PPE		218	322	585	–	–	–	–	–	–	–
Total Expenditure		339 175	391 050	405 358	472 975	478 742	478 742	478 742	497 381	554 858	653 685

1.9.1 Expenditure by Type

1.9.1.1 Employee Related Costs

The budgeted allocation for employee related costs for the 2019/20 financial year totals R186,234 million which is 37,44% of the total operating expenditure. The current forecast from the Reserve Bank for 2019 is an increase of 4.88% on average. During the compilation of the budget, the CPI of ±5.0% plus 1.5% as per agreement was used. The correct % increase of 6.5% was used in the compilation of the final budget.

Include in the budget is an amount of R3 350 335 for 9 new posts, the amendment of 1 existing post and 2 post for Council. There were requests for many more posts than that were approved. The additional are however regarded as necessary to ensure that the municipality can at least maintain its high standard of service delivery.

1.9.1.2 Remuneration of Councillors

The budgeted allocation for remuneration of councillors for the 2019/20 financial year is R8,330 million. An annual increase of 7.0% has been included

1.9.1.3 Depreciation & Asset Impairment

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of asset rate consumption. Budget appropriations in this regard totals R34,743 million for the 2019/20 financial year and equates to 6.99% of the total operating expenditure.

1.9.1.4 Finance Charges

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 4.33% (R21,539 million) of operating expenditure. A provision of R7.021 million for Landfill sites is also included for the 2019/20 financial year.

1.9.1.5 Bulk Purchases

The Budget for Bulk purchases 2019/20 is R108,897 million, which is 21.89% of Total Operating Expenditure. Bulk purchases are directly informed by the purchase of electricity from Eskom. Electricity tariffs of Eskom will increase by 15.63% as from 1 July 2019. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions.

1.9.1.6 Debt Impairment

Debt Impairment for 2018/19 for Traffic Fines is R54,064 million and R35,000 for 2019/20 million. For Rates and Services R5,466 million for 2018/19 and R6,606 million for 2019/20.

1.9.1.7 Contracted Services

Contracted services consists of Life Savers, Recycling of Refuse, Fire Brigade, Cleaning & Security Services for Camps, fraud line as well as Traffic fines outsourced. The total budget for Contracted Services 2019/20 is R32,694 million which shows a 8.86% decrease when compared to the 2018/19 adjustment budget. The decrease is mainly because of less housing grants.

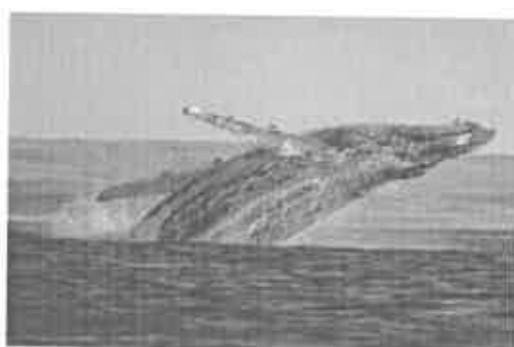
Table SA 1: Contracted Services – (NT – supporting tables) SA1

WC042 Hessequa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Contracted services											
Contractors		4 504	36 735	32 193	9 015	13 577	13 577	13 577	10 842	30 212	38 699
Outsourced Services					3 427	3 323	3 323	3 323	4 780	4 816	4 900
Consultants & Professionals					15 960	18 972	18 972	18 972	11 072	12 008	11 885
Sub-total	1	4 504	36 735	32 193	29 303	35 872	35 872	35 872	32 694	47 735	55 482

1.9.1.8 Other Expenditure

Other expenditure comprises various line items relating to the daily operations of the municipality. The group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. The total budget for Other Expenditure for 2019/20 is R32,465 million which shows a 6.8% increase when compared to 2018/19 adjustment budget.



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Table SA1: Other Expenditure by Type – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description R thousand	Ref	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
		Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
REVENUE ITEMS:								
Other Expenditure By Type								
Collection costs								
Contributions to 'other' provisions								
Consultant fees								
Audit fees								
General expenses	3	30 400	30 400	30 400	9 480	9 475	9 919	
Operating Leases		1 429	1 429	1 429	1 518	1 640	1 623	
Audit fees		3 898	3 898	3 898	4 328	4 761	5 237	
Workmen's Compensation Fund		1 392	1 392	1 392	1 380	1 477	1 580	
Skills development Fund Levy		1 036	1 036	1 036	1 406	1 504	1 609	
Protective Clothing		1 195	1 195	1 195	1 306	1 384	1 466	
Membership fees		1 559	1 559	1 559	1 620	1 720	1 820	
Advertising		540	540	540	595	617	636	
Communication		3 192	3 192	3 192	2 575	2 666	2 795	
System Advisor		1 481	1 481	1 481	1 508	1 618	1 736	
Software Licenses		2 104	2 104	2 104	2 406	2 558	2 615	
Travel & Subsistence		1 927	1 927	1 927	2 203	2 360	2 548	
Insurance		1 771	1 771	1 771	2 140	2 288	2 292	
Total 'Other' Expenditure	1	51 925	51 925	51 925	32 466	34 068	35 877	

1.9.2 Priority given to repairs and maintenance

The Statement of Performance does not have a line item for repairs and maintenance. As per the mSCOA chart, expenditure items are coupled to projects. The following has been included in the draft budget for repairs and maintenance for the current year, as well as the MTREF period.

WC042 Hessequa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Repairs and Maintenance by Expenditure Item											
Employee related costs											
Other materials		46 352	51 250	58 687	58 202	58 202	58 202	58 202	65 352	70 819	75 853
Contracted Services		7 646	7 628	7 685	5 719	5 709	5 709	5 709	6 534	6 983	7 416
Other Expenditure		7 790	8 398	8 893	10 931	11 689	11 699	11 699	10 379	12 526	12 255
Total Repairs and Maintenance Expenditure	9	250	1 154	1 326	1 367	1 125	1 125	1 125	1 312	1 402	1 497
		15 686	63 533	69 154	76 704	76 735	76 735	76 735	83 578	91 709	97 022

The norm for repairs and maintenance against the carrying value of PPE, Investment Property and Intangible Assets is 8%. If employee related cost is taken into account, the municipality's ratio is 8.50% for 2019/20 and 9.03% and 9.15% for the respective outer years. This is well within the norm.

1.9.3 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The target is to register the poor. Details relating to free services, cost of free basic services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table A10 (Basic Service Delivery Measurement) on page 76.

The cost of the social package of the registered indigent households is financed by National Government through the Local Government equitable share received in terms of the annual Division of Revenue Act.

The following subsidies and rebates are recommended:

SUBSIDIES TO INDIGENT HOUSEHOLDS:

CATEGORY A:

- Income per household – R3 500 p.m.
- Water – 6kl per household - free
- Electricity – 50KwH per household – free
- 100% Rebate – Property Rates, Sewerage, Refuse and Water – Basic Fees

CATEGORY B:

- Income per household – R3 501 p.m. – R4 000 p.m.
- Water – 6kl per household - free
- Electricity – 50KwH per household – free
- 50% Rebate – Property Rates, Sewerage, Refuse and Water – Basic Fees

CATEGORY C - OLD AGE HOMES

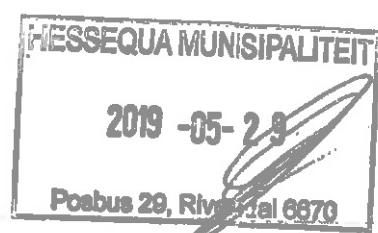
- R150 per person per month that qualify.

CATEGORY D – TENANTS NOT RECEIVING MUNICIPAL ACCOUNTS

- As per category A and B

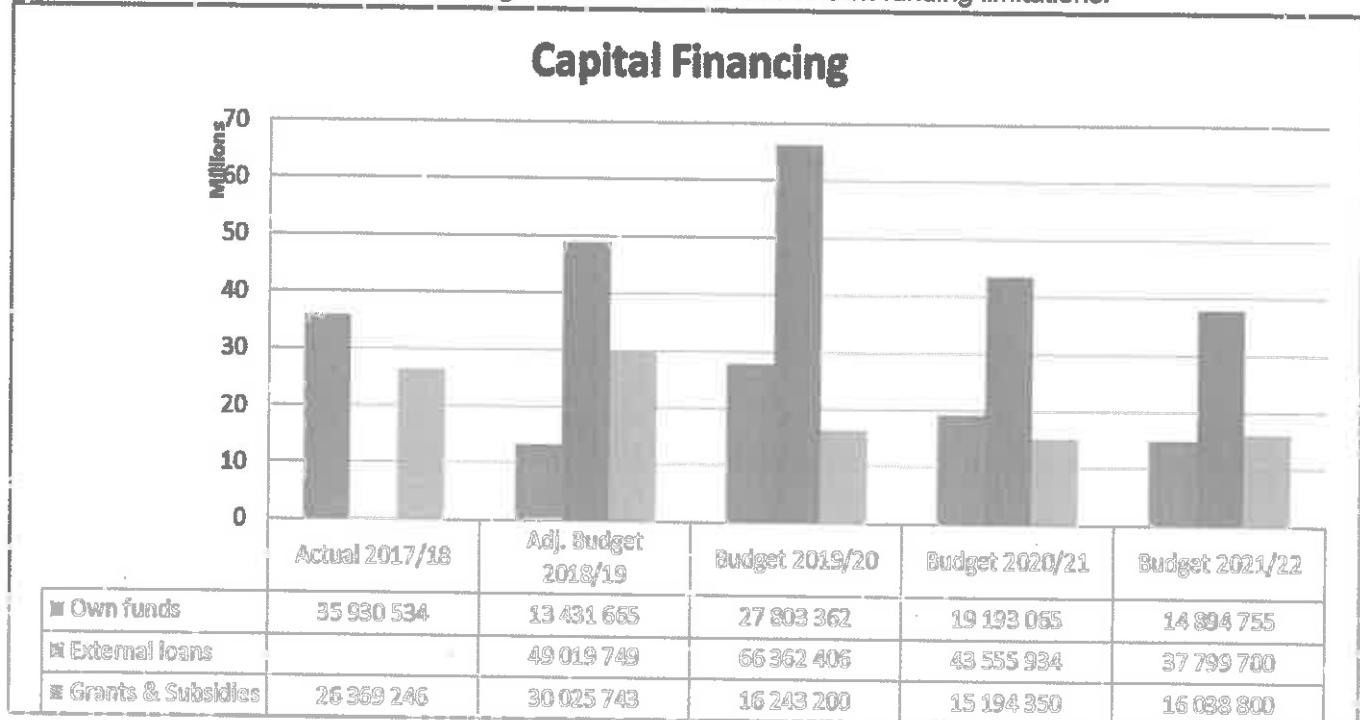
CATEGORY E – CHURCHES

- 100% of basic services if 50% of the church congregation qualifies for indigent.



1.10 CAPITAL EXPENDITURE

The Draft Capital Budget started with R93 808 920 in November 2018 and was later reduced by Council and management to R72 654 150. For the final budget it was increased to the present R109 908 968, with roll overs of R34 452 818 from 2018/19 budget and further cuts due to own funding limitations.



The total capital budget of R110 408 968 for 2019/20 shows an increase of R17 931 811 compared to the adjusted capital budget for 2018/19 of R92 477 157.

The following is included in on the budget:

- + R12,967 million funded by MiG
- + R0,330 million funded by FMG
- + R 1,985 million funded by INEP
- + R0,131 million funded by Library Grants
- + R0,830 million funded for Fire Brigade
- + R27,803 million projects funded by CRR (Including R4,960 million roll over)
- + R66,362 million projects funded by Borrowing (including R29,493 million roll over)

Financing of the Capital Budget

The following table give a breakdown of the sources and percentage (%) of finance of the draft 2019/2020 MTREF budget.

	2019/20	%	2020/21	%	2021/22	%
Own funds	27 803 362	25.18	19 193 065	24.62	14 894 755	21.67
External loans	66 362 406	60.11	43 555 934	55.88	37 799 700	54.99
Grants & Subsidies	16 243 200	14.71	15 194 350	19.49	16 038 800	23.33
	110 408 968		77 943 349		68 733 255	

It is clear that the main source of funding will be from external loans.

After the approval of the Draft Budget the following changes in the capital budget was made by Management:-

Vote Number	Project description	Ward	Ref	Fund	Budget 2019/20	Reason
	Total Draft Budget - 2019/20				100 786 988	
69106420420IFV30ZZ10	Double Cab Truck Tipper - Public Works - S/B	1,3	S/B	CRR	600 000	Roll Over from 2018/19
71106420420IFV33ZZ02	Suction Tanker - Sewerage - A/B	2	A/B	CRR	1 100 000	Roll Over from 2018/19
69106420420IFV36ZZ11	1 X 5m3 Tipper - Public Works - H/B	4,5	H/B	CRR	700 000	Roll Over from 2018/19
69106420420IFV37ZZ10	1 X 5m3 Tipper - Public Works - S/B	1,3	S/B	CRR	700 000	Roll Over from 2018/19
69106420420IFV39ZZ02	Multi-purpose Loader - Public Works - A/B	2	A/B	CRR	1 300 000	Roll Over from 2018/19
69106456020IFJE5ZZ13	Double Axle trailer with rails - Public Works - R/D	6,7,8	R/D	CRR	150 000	Roll Over from 2018/19
63106473520BBQH4ZZ10	Upgrading of Sportsfields fencing - S/B	1,3	S/B	Loan	250 000	Roll Over from 2018/19
64156473520BBQJ1ZZ06	Upgrading of swimming pools - De Mist - Riversdal	6	R/D	Loan	200 000	Roll Over from 2018/19
73106446020BBS16ZZ13	Riversdale Low Level Res Rehabilitation	6,7,8	R/D	Loan	1 500 000	Roll Over from 2018/19
73106446020BBS58ZZ01	Sand Filters - Gouritsmond	1	G/M	Loan	750 000	Roll Over from 2018/19
74106420420BBV06ZZ10	Cherry Picker - Electricity - S/B	1,3	S/B	Loan	1 400 000	Roll Over from 2018/19
74106430420BBM10ZZ10	INSTALLATION OF NEW TRANSFORMER - ELEC - S/B	1,3	S/B	Loan	500 000	Roll Over from 2018/19
61106473520IFQY1ZZ04	Fencing of cemeteries - Slangrivier	4	S/R	CRR	-200 000	Replace with toilet project
	Building of toilets & Waterpoints at cemetery - Slangrivier	4	S/R	CRR	200 000	Replace the fencing project
	2 X Laptop - Interns - Finance	HQ	H/Q	FMG	-28 000	Existing Laptops still working
	Budget Tool - Budget - Finance	HQ	H/Q	FMG	330 000	Budget Tool to comply with NT
	Budget Tool - Budget - Finance	HQ	H/Q	CRR	170 000	Budget Tool to comply with NT
	Total Final Budget - 2019/20				110 408 968	

The comparison between the MTREF Capital Budget and the Financial Plan is set out on Pg. 20 of this report.



The following tables reflects the capital budget per ward and per town. Information regarding wards has been compiled from information received from the respective departments.

2019/20 MTREF Capital Budget per Ward

WARDS	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Ward 1	9 372 500	5 203 300	10 913 800	12 312 000	4 302 000
Ward 2	9 478 812	1 555 000	818 300	1 035 120	1 058 500
Ward 3	2 548 500	1 493 550	498 000	1 685 000	1 350 000
Ward 4	8 513 840	6 090 580	4 524 400	3 318 500	2 750 000
Ward 5	525 000	0	0	1 500 000	150 000
Ward 6	1 262 000	0	18 000	8 500 000	0
Ward 7	6 478 000	37 735	1 947 520	15 050 000	0
Ward 8	600 000	601 000	100 000	975 000	100 000
Ward 9	3 110 000	1 700 000	500 000	12 500 000	3 470 000
Ward 7,8	0	0	0	0	0
Ward 6,7,8	15 534 000	15 247 784	5 810 800	12 286 300	32 000
Ward 4,5	4 475 000	3 549 300	3 238 300	1 760 000	590 500
Ward 4,5,9	370 000	0	0	0	0
Ward 1,3	28 212 406	19 074 500	22 999 335	7 632 500	9 540 500
HQ	19 928 910	23 390 600	17 364 800	45 966 500	35 129 700
Ward 6,8	0	0	0	0	0
	110 408 968	77 943 349	68 733 255	124 520 920	58 473 200

2019/20 MTREF Capital Budget per Town

TOWNS	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Albertinia	9 028 812	1 555 000	818 300	1 035 120	1 058 500
Heidelberg	8 520 000	5 619 300	3 988 300	9 110 000	4 210 500
Witsand	3 163 840	1 430 580	2 170 600	2 098 500	1 900 000
Riversdal	23 889 000	16 554 319	7 876 320	36 821 300	132 000
Stilbaai	36 164 406	23 892 500	33 778 135	17 049 500	10 984 000
Jongensfontein	191 500	1 484 550	498 000	1 685 000	1 350 000
Gouritsmond	4 227 500	408 300	135 000	2 895 000	2 858 500
Slangrivier	5 210 000	4 190 000	2 123 800	370 000	850 000
Hessequa	20 013 910	22 808 800	17 344 800	53 456 500	35 129 700
	110 408 968	77 943 349	68 733 255	124 520 920	58 473 200



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1.11 ANNUAL BUDGET TABLES - PARENT MUNICIPALITY

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's MTREF Budget to be approved by the Council.

WC042 Hessequa - Table A1 Budget Summary

Description	2019/18	2018/17	2017/18	Current Year 2018/19				2018/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands										
Financial Performance										
Property sales	85 937	70 988	78 149	84 885	84 885	84 885	84 885	94 887	101 683	109 828
Service charges	173 413	168 856	201 489	213 928	213 928	213 928	233 544	245 124	254 881	260 086
Investment revenue	12 837	18 094	17 950	5 528	5 528	5 528	5 528	8 680	8 723	8 720
Transfers recognised - operational	52 392	62 641	60 345	55 751	52 388	62 368	62 368	59 137	74 884	87 106
Other own revenue	68 226	94 403	86 852	93 210	93 210	93 210	93 210	74 174	78 415	82 914
Total Revenue (excluding capital transfers and contributions)	369 808	435 084	424 704	453 282	468 889	459 899	479 514	481 779	528 607	574 652
Employee costs	118 414	127 791	150 458	158 385	165 198	165 198	165 198	166 234	180 990	212 769
Remuneration of councillors	8 047	8 484	7 202	5 050	5 050	6 050	6 050	8 330	8 914	9 538
Depreciation & asset impairment	24 836	28 594	30 044	35 980	35 980	35 980	35 980	34 743	35 035	36 119
Finance charges	13 665	17 723	18 822	20 698	21 180	21 180	21 180	21 530	26 889	27 923
Materials and bulk purchases	85 599	107 840	108 598	121 509	121 399	121 399	121 399	138 530	157 841	177 576
Transfers and grants	—	865	1 055	987	1 185	1 185	1 185	1 247	1 489	1 323
Other expenditure	62 584	104 633	89 178	119 408	125 802	125 802	125 802	106 768	124 540	136 338
Total Expenditure	330 175	391 080	405 358	472 075	478 742	478 742	478 742	497 391	554 558	603 685
Balplus/(Deficit)	30 432	44 034	19 438	(19 883)	(18 843)	(18 843)	(18 843)	773	(15 612)	(28 061)
Transfers and subsidies - capital (monetary allocation)	27 456	95 771	32 885	15 324	24 288	24 288	24 288	16 243	15 184	18 030
Contributions recognised - capital & contributed asset	—	—	142	1 000	5 737	5 737	5 737	—	—	—
Balplus/(Deficit) after capital transfers & contributions	57 888	139 806	62 463	(3 169)	11 183	11 183	11 183	30 798	631	(10 857)
Share of surplus/ (deficit) of associates	—	—	—	—	—	—	—	—	—	—
Balplus/(Deficit) for the year	57 888	139 806	62 463	(3 169)	11 183	11 183	11 183	30 798	631	(10 857)
Capital expenditure & funds received										
Capital expenditure	85 967	123 138	82 300	100 582	92 477	92 477	92 477	110 408	77 943	68 733
Transfers recognised - capital	31 587	88 054	25 380	18 524	30 028	30 028	30 028	16 243	15 184	16 038
Borrowing	47 539	29 480	27 423	70 684	49 020	49 020	49 020	88 382	43 556	37 800
Internally generated funds	6 841	4 723	8 508	13 368	13 432	13 432	13 432	27 803	19 193	14 885
Total sources of capital funds	85 967	123 138	82 300	100 582	92 477	92 477	92 477	110 408	77 943	68 733
Financial position										
Total current assets	240 821	264 212	276 030	197 055	244 315	244 315	244 315	208 944	188 477	158 442
Total non current assets	712 023	832 135	854 073	831 188	911 147	911 147	911 147	901 083	1 024 280	1 068 384
Total current liabilities	130 813	105 045	87 482	98 842	102 264	102 264	102 264	99 251	107 283	116 807
Total non current liabilities	224 276	236 776	237 632	297 261	286 500	286 500	286 500	308 158	330 916	346 823
Community wealth/Equity	567 973	762 520	804 968	732 080	788 608	788 608	788 608	783 528	775 568	784 606
Cash flows										
Net cash from (used) operating	123 145	118 355	83 370	34 534	44 443	44 443	44 443	16 343	8 482	4 933
Net cash from (used) investing	(85 236)	(120 933)	(61 817)	(81 864)	(89 076)	(89 076)	(89 076)	(91 570)	(60 106)	(50 000)
Net cash from (used) financing	32 176	7 589	(13 672)	65 165	12 708	12 708	12 708	43 180	19 888	12 705
Cum/cash equivalents at the year end	206 745	211 779	219 880	147 705	187 137	187 137	187 137	155 098	121 344	88 982
Cash backlog/surplus reconciliation										
Cash and investments available	206 745	211 779	219 880	146 705	187 089	187 089	187 089	155 099	134 752	102 340
Application of cash and investments	80 069	34 448	16 827	30 337	22 075	22 075	22 075	26 155	17 174	22 816
Balance - surplus (shortfall)	126 717	177 332	203 034	116 308	164 114	164 114	164 114	161 934	137 828	111 936
Asset management										
Asset register summary (WDV)	712 008	832 122	854 063	931 188	911 137	911 137	911 137	901 983	1 024 270	1 068 384
Depreciation	24 030	25 594	30 031	35 980	36 980	35 980	35 980	34 743	34 038	38 119
Renewal and Upgrading of Existing Assets	66 638	112 569	30 307	56 488	46 827	46 827	46 827	69 154	42 530	29 277
Repairs and Maintenance	15 686	63 533	68 154	76 704	76 735	76 735	76 735	83 578	81 709	97 022

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WC042 Hessequa - Table A1 Budget Summary

Description R thousands	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Free services										
Cost of Free Basic Services provided	15 832	17 047	17 867	19 615	19 615	19 615	23 078	23 078	25 464	27 488
Revenue cost of free services provided	12 286	12 954	14 037	16 054	16 054	16 054	16 444	16 444	17 756	19 182
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

Explanatory notes to Table A1: - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating deficit before transfers for the 2018/2019 and 2019/2020 MTREF financial periods is set out in the table below.
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Government and other transfers is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the net cash from investing on the Cash Flow Budget.
4. The Cash backing/surplus reconciliation shows an increase in 2020/21 and a decrease over the last 2 years of the MTREF period.

WC042 Hessequa - Table A2 Cash backed reserves/accumulated surplus reconciliation

Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash and Investments available											
Cash/cash equivalents at the year end	1	206 785	211 779	218 660	147 705	187 137	187 137	187 137	155 099	134 844	102 482
Other current investments > 90 days		0	(0)	(0)	(1 000)	(48)	(48)	(48)	(0)	(92)	(142)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and Investments available:		206 785	211 779	218 660	146 705	187 099	187 099	187 099	155 099	134 752	102 340
Application of cash and Investments											
Unspent conditional transfers		89 967	21 251	12 680	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	10 102	13 197	4 146	30 337	22 975	22 975	25 155	17 174	22 816	28 200
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term Investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and Investments:		89 969	34 448	10 627	30 337	22 975	22 975	25 155	17 174	22 816	28 200
Surplus/(shortfall)		126 717	177 332	203 034	118 368	164 114	164 114	161 834	137 926	111 636	74 140

Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification) – (NT – supporting tables)

WC042 Hessequa - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Revenue - Functional	1									
Governance and administration		118 480	132 877	140 983	141 273	141 864	141 864	157 518	167 556	179 749
Executive and council		32 639	35 967	38 432	42 182	42 199	42 199	45 373	48 779	52 540
Finance and administration		85 841	98 910	102 531	99 091	99 685	99 665	112 145	118 777	127 209
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		73 352	106 408	75 526	93 987	100 411	100 411	76 674	92 751	111 711
Community and social services		8 952	7 634	8 682	9 484	9 720	9 720	9 561	11 971	11 013
Sport and recreation		10 050	11 518	12 534	12 183	12 183	12 183	15 788	18 591	17 486
Public safety		48 925	70 424	43 229	71 614	71 876	71 876	49 971	51 771	54 787
Housing		9 425	16 834	11 081	728	6 632	6 632	1 355	12 419	28 465
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		13 395	92 326	17 886	5 667	6 238	6 238	6 004	5 289	5 449
Planning and development		2 568	2 855	4 757	4 445	4 995	4 995	4 717	4 828	5 011
Road transport		10 370	88 898	12 455	703	703	703	603	118	118
Environmental protection		457	573	475	519	538	538	684	343	360
Trading services		191 827	199 244	223 623	228 869	241 404	241 404	257 816	278 195	293 742
Energy sources		120 988	129 076	134 198	141 489	141 763	141 763	160 235	173 639	188 395
Water management		28 410	33 555	41 501	37 324	49 585	49 585	41 948	45 284	48 855
Waste water management		30 552	23 852	32 534	31 736	31 736	31 736	32 569	34 955	30 207
Waste management		11 877	12 761	15 380	18 320	18 320	18 320	23 065	24 338	26 284
Other	4	10	–	20	10	10	10	10	10	10
Total Revenue - Functional	2	397 054	530 855	457 820	469 808	489 925	489 925	498 023	543 801	590 701
Expenditure - Functional										
Governance and administration		59 219	61 214	79 768	87 028	88 818	86 818	97 697	103 138	108 663
Executive and council		19 698	21 377	28 432	24 565	25 641	25 641	30 484	32 455	32 817
Finance and administration		38 314	38 657	50 085	60 933	59 672	59 672	65 583	68 924	73 991
Internal audit		1 208	1 180	1 271	1 530	1 504	1 504	1 650	1 759	1 875
Community and public safety		76 595	109 200	91 447	116 670	122 224	122 224	106 154	124 257	138 998
Community and social services		13 035	14 250	15 441	18 223	18 333	18 333	19 666	22 299	22 442
Sport and recreation		15 295	16 075	17 876	21 487	21 050	21 050	23 867	25 323	27 205
Public safety		46 698	61 113	46 072	74 883	74 883	74 883	59 332	62 012	65 909
Housing		3 569	17 762	12 058	2 298	8 177	8 177	3 289	14 623	23 442
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		38 990	42 563	53 525	54 644	54 713	54 713	58 889	62 995	67 292
Planning and development		6 351	8 240	9 376	10 852	11 164	11 164	10 173	10 738	11 440
Road transport		30 740	32 732	42 591	41 816	41 585	41 585	43 800	47 432	50 745
Environmental protection		1 899	1 590	1 557	1 877	1 964	1 964	4 917	4 825	5 107
Trading services		161 414	176 998	179 435	213 132	213 499	213 499	233 040	261 949	286 791
Energy sources		100 628	111 051	78 122	127 122	126 560	126 560	142 794	163 242	182 475
Water management		21 207	23 130	31 514	30 940	31 696	31 696	33 942	37 217	40 341
Waste water management		15 886	17 716	30 910	23 531	23 565	23 565	23 739	26 846	28 654
Waste management		23 694	25 101	38 889	31 538	31 678	31 678	32 566	34 645	35 320
Other	4	956	1 074	1 183	1 502	1 488	1 488	1 612	2 318	1 821
Total Expenditure - Functional	3	339 175	391 050	405 358	472 975	478 742	478 742	497 391	554 658	603 685
Surplus/(Deficit) for the year		57 888	138 805	52 483	(3 169)	11 183	11 183	631	(10 857)	(12 864)

Explanatory notes to Table A2: - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification
2. Note the Total Revenue on this table includes capital revenues (Transfers recognized – capital) and does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Electricity, Water and Waste Water function. Waste

Management operate at a loss because of the high provision for landfill sites. Tariffs increase by 15% to decrease the loss in 2019/20.

Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote) – (NT – supporting tables)

WC042 Hessequa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote	1									
Vote 01 - Office Of The Mm		32 639	35 967	38 432	42 182	42 499	42 499	45 433	48 779	52 540
Vote 02 - Corporate Services		17 880	18 682	20 959	21 438	22 287	22 287	24 016	27 158	27 152
Vote 03 - Financial Services		82 284	92 068	99 374	93 599	93 599	93 599	106 645	113 084	121 309
Vote 04 - Community Services		56 406	87 463	54 457	72 546	78 685	78 685	51 446	64 384	83 312
Vote 05 - Technical Services		204 840	233 248	239 345	235 067	247 602	247 602	265 133	285 235	301 006
Vote 06 - Spatial Planning & Environmental Management		3 035	3 428	5 252	4 874	5 243	5 243	5 351	5 181	5 381
Vote 07 - Health		–	–	–	–	–	–	–	–	–
Vote 08 - Planning And Development		–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–
Vote 10 - Electricity		–	–	–	–	–	–	–	–	–
Vote 11 - Water Management		–	–	–	–	–	–	–	–	–
Vote 12 - Waste Water Management		–	–	–	–	–	–	–	–	–
Vote 13 - Waste Management		–	–	–	–	–	–	–	–	–
Vote 14 - Road Transport		–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	397 064	530 855	457 820	469 806	489 925	489 925	488 023	543 801	590 701
Expenditure by Vote to be appropriated	1									
Vote 01 - Office Of The Mm		22 002	23 745	31 003	27 639	28 882	28 882	34 685	36 873	37 494
Vote 02 - Corporate Services		31 013	32 008	35 841	45 255	45 663	45 663	46 327	50 337	52 359
Vote 03 - Financial Services		17 418	17 668	24 277	30 506	29 412	29 412	35 816	37 436	39 856
Vote 04 - Community Services		54 454	83 579	62 809	82 587	88 401	88 401	68 572	83 030	96 030
Vote 05 - Technical Services		206 178	224 335	240 811	274 222	273 505	273 505	297 862	331 780	362 280
Vote 06 - Spatial Planning & Environmental Management		8 108	9 716	10 816	12 788	12 880	12 880	14 150	15 223	15 666
Vote 07 - Health		–	–	–	–	–	–	–	–	–
Vote 08 - Planning And Development		–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–
Vote 10 - Electricity		–	–	–	–	–	–	–	–	–
Vote 11 - Water Management		–	–	–	–	–	–	–	–	–
Vote 12 - Waste Water Management		–	–	–	–	–	–	–	–	–
Vote 13 - Waste Management		–	–	–	–	–	–	–	–	–
Vote 14 - Road Transport		–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	339 175	391 060	405 358	472 975	478 742	478 742	497 391	554 858	603 666
Surplus/(Deficit) for the year	2	57 888	139 805	52 463	(3 169)	11 183	11 183	631	(10 857)	(12 984)

Explanatory notes to Table A3: - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the Municipality



Table A4 - Budgeted Financial Performance (revenue and expenditure) – (NT – supporting tables)

WC042 Hessequa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description R thousand	Ref 1	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source											
Property rates	2	65 937	70 988	78 149	84 865	84 865	84 865	84 865	94 657	101 693	109 828
Service charges - electricity revenue	2	117 788	128 077	132 153	138 175	138 175	138 175	141 221	157 911	171 272	184 999
Service charges - water revenue	2	28 018	31 145	33 830	36 394	36 394	36 394	37 996	40 967	44 256	47 786
Service charges - sanitation revenue	2	15 995	17 194	20 242	21 197	21 197	21 197	29 053	23 332	25 199	27 214
Service charges - refuse revenue	2	11 612	12 542	15 264	18 162	18 162	18 162	25 274	22 895	24 154	26 087
Rental of facilities and equipment		11 094	2 028	2 607	1 952	1 952	1 952	1 952	2 680	2 871	3 099
Interest earned - external investments		12 637	18 084	17 959	5 528	5 528	5 528	5 528	8 688	8 723	8 729
Interest earned - outstanding debtors		1 035	1 522	1 950	1 573	1 573	1 573	1 573	1 698	1 834	1 981
Dividends received											
Fines, penalties and forfeits		44 052	68 507	38 417	67 872	67 872	67 872	67 872	45 040	47 742	50 607
Licences and permits		1 245	1 318	1 420	1 475	1 475	1 475	1 475	1 563	1 657	1 756
Agency services		1 778	1 987	2 218	2 032	2 032	2 032	2 032	2 203	2 247	2 292
Transfers and subsidies		52 392	62 641	60 348	55 751	62 368	62 368	62 368	59 137	74 894	87 105
Other revenue	2	5 240	16 134	19 735	15 808	15 808	15 808	15 808	18 414	19 420	20 484
Gains on disposal of PPE		785	4 906	503	2 500	2 500	2 500	2 500	2 595	2 643	2 694
Total Revenue (excluding capital transfers and contributions)		369 608	435 084	424 794	453 282	459 899	459 899	479 514	481 779	528 607	574 662
Expenditure By Type											
Employee related costs	2	116 414	127 791	150 458	165 365	165 198	165 198	165 198	186 234	198 890	212 769
Remuneration of councillors		6 047	6 484	7 202	8 050	8 050	8 050	8 050	8 330	8 914	9 538
Debt impairment	3	38 258	47 471	34 346	59 530	59 530	59 530	59 530	41 606	42 736	44 987
Depreciation & asset impairment	2	24 838	25 594	30 044	35 980	35 980	35 980	35 980	34 743	38 035	38 119
Finance charges		13 695	17 723	18 822	20 698	21 180	21 180	21 180	21 538	26 859	27 923
Bulk purchases	2	85 599	87 870	88 362	102 049	94 197	94 197	94 197	108 897	125 893	142 882
Other materials	8	–	20 070	19 236	18 459	27 202	27 202	27 202	29 633	31 948	34 696
Contracted services		4 504	38 735	32 193	29 303	35 872	35 872	35 872	32 694	47 736	55 492
Transfers and subsidies			865	1 055	987	1 155	1 155	1 155	1 247	1 480	1 323
Other expenditure	4, 5	49 593	18 124	22 055	30 573	30 400	30 400	30 400	32 466	34 068	35 877
Loss on disposal of PPE		218	322	585					–	–	–
Total Expenditure		330 175	391 050	405 358	472 975	479 742	479 742	479 742	497 391	554 658	603 685
Surplus/(Deficit)		30 432	44 034	19 436	(19 693)	(18 843)	(18 843)	773	(15 612)	(26 051)	(29 023)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		27 458	95 771	32 865	15 524	24 288	24 288	24 288	16 243	15 194	16 039
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Transfers and subsidies - capital (In-kind - all))	6	–	–	–	–	237	237	237	–	–	–
Surplus/(Deficit) after capital transfers & contributions				142	1 000	5 500	5 500	5 500			
Taxation		57 888	139 805	52 463	(3 169)	11 183	11 183	30 798	631	(10 857)	(12 984)
Surplus/(Deficit) after taxation		57 888	139 805	52 463	(3 169)	11 183	11 183	30 798	631	(10 857)	(12 984)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		57 888	139 805	52 463	(3 169)	11 183	11 183	30 798	631	(10 857)	(12 984)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		57 888	139 805	52 463	(3 169)	11 183	11 183	30 798	631	(10 857)	(12 984)



Explanatory notes to Table A4: - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue excluding capital transfers and contributions is R481,779 million in 2019/20 and escalates to R528,607 million by 2020/21 which is an increase of 9.72%. The total revenue for 2021/22 is R574,662 million which is a 8.71% increase from 2020/21.
2. Revenue to be generated from property rates is R94,657 million in the 2019/20 financial year and increases to R101,693 million by 2020/21. In the 2021/22 financial year it is R109,828 million. The tariff increase is 9.0% for the MTREF period.
3. Services charges relating to electricity, water, sanitation, refuse removal and other charges constitutes the biggest component of the revenue basket of the Municipality totalling R245,124 million for the 2019/20 financial year and increasing to R264,881 million by 2020/21 and R286,086 million by 2021/22. For the 2019/20 financial year services charges amount to 50.9% of total revenue.
4. Transfers recognized – operating, includes the local government equitable share and other operating grants from national and provincial government.

Expenditure by major type

5. Bulk purchases have increased from 2015/16 to 2019/20 escalating from R85,599 million to R108,897 million. These increases can be attributed to the increase in the cost of bulk electricity from Eskom.
6. Employee related costs and bulk purchases are the main cost drivers within the municipal budget.

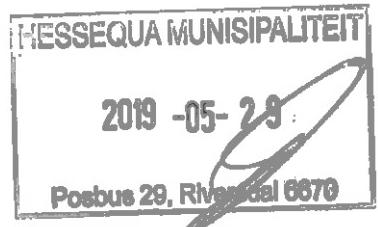


Table A5: - Budgeted Capital Expenditure by vote, standard classification and funding source - (NT – supporting tables)

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		R thousand	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 01 - Office Of The Mm		—	—	—	—	—	—	—	—	—	—
Vote 02 - Corporate Services		—	—	488	482	822	822	822	545	60	700
Vote 03 - Financial Services		—	—	—	—	—	—	—	—	—	—
Vote 04 - Community Services		—	—	—	250	250	250	250	300	—	—
Vote 05 - Technical Services		—	—	2 101	22 719	12 203	12 203	12 203	35 847	19 978	15 270
Vote 06 - Spatial Planning & Environmental Management		—	—	—	—	—	—	—	—	—	—
Vote 07 - Health		—	—	—	—	—	—	—	—	—	—
Vote 08 - Planning And Development		—	—	—	—	—	—	—	—	—	—
Vote 09 - Environmental Protection		—	—	—	—	—	—	—	—	—	—
Vote 10 - Electricity		—	—	—	—	—	—	—	—	—	—
Vote 11 - Water Management		—	—	—	—	—	—	—	—	—	—
Vote 12 - Waste Water Management		—	—	—	—	—	—	—	—	—	—
Vote 13 - Waste Management		—	—	—	—	—	—	—	—	—	—
Vote 14 - Road Transport		—	—	—	—	—	—	—	—	—	—
Vote 15 - Other		—	—	—	—	—	—	—	—	—	—
Capital multi-year expenditure sub-total	7	—	—	2 567	23 451	13 275	13 275	13 275	36 682	20 026	15 870
Single-year expenditure to be appropriated	2										
Vote 01 - Office Of The Mm		34	182	67	40	108	108	108	56	367	383
Vote 02 - Corporate Services		2 711	2 471	4 333	3 740	3 398	3 398	3 398	2 556	4 533	1 811
Vote 03 - Financial Services		218	254	226	286	569	569	569	447	8 112	2 134
Vote 04 - Community Services		837	1 692	3 138	2 837	3 098	3 098	3 098	3 176	1 092	8 895
Vote 05 - Technical Services		82 095	118 525	51 905	70 117	71 978	71 978	71 978	67 445	43 188	36 531
Vote 06 - Spatial Planning & Environmental Management		71	14	63	102	121	121	121	35	648	10
Vote 07 - Health		—	—	—	—	—	—	—	—	—	—
Vote 08 - Planning And Development		—	—	—	—	—	—	—	—	—	—
Vote 09 - Environmental Protection		—	—	—	—	—	—	—	—	—	—
Vote 10 - Electricity		—	—	—	—	—	—	—	—	—	—
Vote 11 - Water Management		—	—	—	—	—	—	—	—	—	—
Vote 12 - Waste Water Management		—	—	—	—	—	—	—	—	—	—
Vote 13 - Waste Management		—	—	—	—	—	—	—	—	—	—
Vote 14 - Road Transport		—	—	—	—	—	—	—	—	—	—
Vote 15 - Other		—	—	—	—	—	—	—	—	—	—
Capital single-year expenditure sub-total	85 967	123 138	59 732	77 131	70 202	70 202	70 202	73 717	57 817	52 784	
Total Capital Expenditure - Vote		85 967	123 138	62 300	100 582	92 477	92 477	92 477	110 409	77 943	68 733
Capital Expenditure - Functional											
Governance and administration		1 816	2 621	3 352	5 557	6 598	6 598	6 598	5 452	14 000	5 389
Executive and council		34	170	67	40	40	40	40	30	357	388
Finance and administration		1 782	2 451	3 285	5 517	6 558	6 558	6 558	5 422	13 643	5 221
Internal audit		—	—	—	—	—	—	—	—	—	—
Community and public safety		3 537	5 806	8 135	9 296	9 498	9 498	9 498	10 633	8 278	14 537
Community and social services		1 160	1 452	1 623	2 509	2 530	2 530	2 530	1 581	1 383	767
Sport and recreation		1 541	2 702	4 696	4 498	4 418	4 418	4 418	5 821	5 853	4 875
Public safety		837	1 433	1 808	2 224	2 486	2 486	2 486	3 131	1 044	1 395
Housing		—	19	8	68	59	59	59	—	—	7 500
Health		—	—	—	—	—	—	—	—	—	—
Economic and environmental services		14 428	90 200	12 698	15 188	15 985	15 985	15 985	16 372	16 486	19 984
Planning and development		21	13	54	89	155	155	155	28	81	15
Road transport		14 393	80 188	12 643	15 084	15 709	15 709	15 709	16 311	15 830	19 949
Environmental protection		38	—	13	32	32	32	32	35	575	—
Trading services		88 174	24 710	38 107	70 543	60 398	60 398	60 398	77 952	39 177	25 634
Energy sources		32 293	5 516	9 128	20 387	8 317	8 317	8 317	25 291	12 150	10 068
Water management		5 141	8 838	11 617	17 198	23 820	23 820	23 820	18 673	8 300	9 400
Waste water management		26 833	9 738	15 988	32 768	28 009	28 009	28 009	30 785	18 127	8 916
Waste management		2 807	616	1 373	250	250	250	250	3 224	600	250
Other		12	1	6	—	—	—	—	—	—	10
Total Capital Expenditure - Functional	3	85 967	123 138	62 300	100 582	92 477	92 477	92 477	110 409	77 943	68 733
Funded by:											
National Government		31 035	87 633	23 846	15 189	15 538	15 538	15 538	14 953	14 864	15 978
Provincial Government		552	1 248	2 288	335	8 432	8 432	8 432	1 281	530	61
District Municipality		—	—	—	317	317	317	317	—	—	—
Other transfers and grants		73	221	1 000	5 737	5 737	5 737	5 737	—	—	—
Transfers recognised - capital	4	31 587	88 954	26 389	16 524	30 026	30 026	30 026	16 243	15 194	16 038
Borrowing	6	47 538	20 460	27 423	70 664	49 020	49 020	49 020	66 362	43 556	37 800
Internally generated funds		6 841	4 723	8 508	13 365	13 432	13 432	13 432	27 803	19 193	14 895
Total Capital Funding	7	85 967	123 138	62 300	100 582	92 477	92 477	92 477	110 409	77 943	68 733

Explanatory notes to Table A5: - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital program in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. Single-year capital expenditure has been appropriated at R73,717 million for the 2019/20 financial year and decreases in 2020/21 to R57,917 million and in 2021/22 to R52,763 million. Multi-year capital expenditure has been appropriated at R36,692 million for the 2019/20 financial year and decreases in 2020/21 to R20,026 million and in 2021/22 to R15,970 million.
3. The capital program is funded from National- and Provincial grants and transfers, public contributions and donations, borrowing and internally generated funds from current year surpluses. For 2019/20, capital transfers totals R16,243 million (14.7%) and decrease to R15,194 million by 2020/21 and R16,039 million by 2021/22. Borrowing has been provided at R66,362 million for 2019/20, R43,556 million for 2020/21 and R37,800 million for 2021/22. For 2019/20, internally generated funding totals to R27,803 million and decrease over the MTREF period to R19,193 million in 2020/21 and R14,895 million in 2021/22.

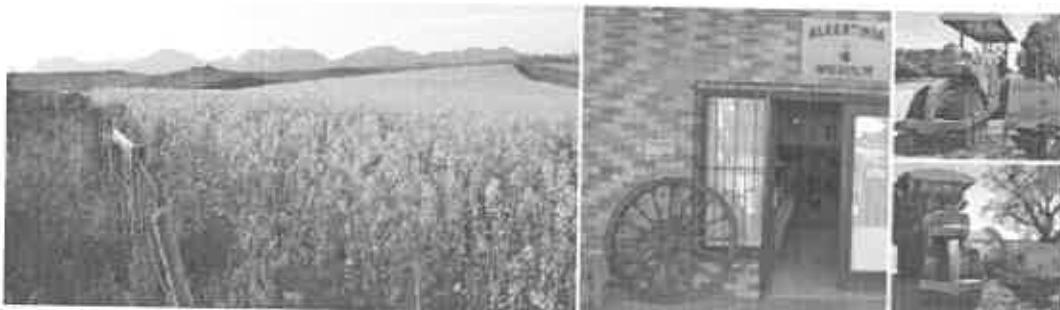


Table A6 -Budgeted Financial Position – (NT – supporting tables)

WC042 Hessequa - Table A6 Budgeted Financial Position

Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
ASSETS											
Current assets											
Cash		3 279	11 420	3 445	—	—	—	—	—	—	—
Call investment deposits	1	203 506	200 360	216 415	148 705	187 089	187 089	187 089	155 099	134 752	102 340
Consumer debtors	1	36 785	20 824	23 883	35 881	41 857	41 857	41 857	31 853	32 380	33 405
Other debtors		2 861	28 421	29 374	12 148	12 148	12 148	12 148	18 890	19 079	19 278
Current portion of long-term receivables		3	3	3	3	3	3	3	3	3	3
Inventory	2	3 416	3 186	2 811	3 218	3 218	3 218	3 218	3 099	3 254	3 416
Total current assets		249 831	264 212	276 030	197 955	244 315	244 315	244 315	208 944	188 477	158 442
Non current assets											
Long-term receivables		16	13	10	10	10	10	10	10	10	10
Investments											
Investment property		68 307	70 995	71 228	68 495	71 227	71 227	71 227	71 228	71 228	71 228
Investment in Associate											
Property, plant and equipment	3	643 359	752 484	774 214	853 831	830 732	830 732	830 732	912 066	944 549	988 688
Biological											
Intangible		342	320	299	540	856	856	856	388	172	147
Other non-current assets		—	8 322	8 322	8 322	8 322	8 322	8 322	8 322	8 322	8 322
Total non current assets		712 023	832 198	854 073	931 196	911 147	911 147	911 147	901 983	1 024 260	1 058 304
TOTAL ASSETS		961 854	1 098 347	1 130 103	1 129 153	1 155 482	1 155 482	1 155 482	1 200 937	1 213 757	1 228 836
LIABILITIES											
Current Liabilities											
Bank overdraft	1										
Borrowing	4	14 586	15 738	17 421	15 738	17 421	17 421	17 421	17 421	17 421	17 421
Consumer deposits		4 414	6 444	8 400	5 341	8 400	8 400	8 400	9 261	9 724	10 210
Trade and other payables	4	114 180	75 390	83 759	70 781	68 461	68 461	68 461	62 656	69 005	75 541
Provisions		8 454	7 474	7 903	7 972	7 972	7 972	7 972	8 914	11 103	12 436
Total current liabilities		139 613	165 045	87 482	99 842	102 254	102 254	102 254	99 251	107 253	115 607
Non current liabilities											
Borrowing		107 294	111 557	94 134	150 775	124 134	124 134	124 134	188 483	187 918	200 137
Provisions		116 975	127 220	133 498	146 477	142 466	142 466	142 466	138 676	142 898	148 486
Total non current liabilities		224 270	238 776	227 632	297 251	266 599	266 599	266 599	308 158	330 918	345 623
TOTAL LIABILITIES		383 833	343 821	328 115	397 093	368 853	368 853	368 853	407 409	438 160	462 230
NET ASSETS	5	597 972	752 526	804 988	732 080	786 608	786 608	786 608	793 528	775 588	764 606
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		597 726	752 280	804 743	731 814	786 363	786 363	786 363	793 283	775 342	754 361
Reserves	4	246	246	246	246	246	246	246	246	246	246
TOTAL COMMUNITY WEALTH/EQUITY	5	597 972	752 526	804 988	732 080	786 608	786 608	786 608	793 528	775 588	764 606

Explanatory notes to Table A6: - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves the understanding of councillors and management of the impact of the budget on the statement of financial position (balance sheet).



Table A7 - Budgeted Cash Flow Statement – (NT – supporting tables)

WC042 Hessequa - Table A7 Budgeted Cash Flows

Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		85 375	70 187	78 185	83 167	83 167	83 167	83 167	92 764	99 659	107 632
Service charges		165 684	186 482	194 872	209 650	209 650	209 650	209 650	240 222	259 584	280 384
Other revenue		30 365	33 784	33 231	35 187	35 187	35 187	35 187	35 649	37 654	39 778
Government - operating	1	52 444	78 801	60 346	55 751	62 567	62 567	62 567	59 137	74 894	87 105
Government - capital	1	59 637	32 895	24 314	16 524	30 026	30 026	30 026	—	—	—
Interest		13 672	19 616	18 909	7 089	7 089	7 089	7 089	10 387	10 558	10 710
Dividends					—	—	—	—	—	—	—
Payments											
Suppliers and employees		(250 317)	(282 818)	(305 591)	(357 148)	(360 918)	(360 918)	(360 918)	(398 080)	(447 611)	(491 486)
Finance charges		(13 695)	(17 723)	(18 822)	(14 679)	(21 180)	(21 180)	(21 180)	(21 539)	(28 859)	(27 923)
Transfers and Grants	1		(865)	(1 055)	(987)	(1 107)	(1 107)	(1 107)	(1 197)	(1 426)	(1 266)
NET CASH FROM/(USED) OPERATING ACTIVITIES		123 145	110 358	83 370	34 534	44 463	44 463	44 463	16 343	6 452	4 933
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		633	1 301	538	2 500	2 500	2 500	2 500	18 839	17 837	18 733
Decrease (increase) in non-current debtors		24	—	—	2	2	2	2	—	—	—
Decrease (increase) other non-current receivables	1	3	3	—	—	—	—	—	—	—	—
Decrease (increase) in non-current investments		—	—	—	—	—	—	—	—	—	—
Payments											
Capital assets		(85 894)	(122 238)	(62 158)	(94 368)	(92 477)	(92 477)	(92 477)	(110 409)	(77 943)	(68 733)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(85 238)	(120 933)	(61 617)	(91 884)	(89 975)	(89 975)	(89 975)	(91 570)	(60 108)	(50 000)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		44	105	111	—	—	—	—	—	—	—
Borrowing long term/refinancing		43 000	—	—	70 694	30 000	30 000	30 000	63 262	43 558	37 800
Increase (decrease) in consumer deposits		672	2 030	1 958	210	210	210	210	441	463	486
Payments											
Repayment of borrowing		(11 539)	5 434	(15 739)	(15 738)	(17 421)	(17 421)	(17 421)	(20 513)	(24 121)	(25 581)
NET CASH FROM/(USED) FINANCING ACTIVITIES		32 176	7 889	(13 672)	55 185	12 788	12 788	12 788	43 190	19 898	12 705
NET INCREASE/ (DECREASE) IN CASH HELD		70 086	4 984	8 081	(2 164)	(32 723)	(32 723)	(32 723)	(32 037)	(33 750)	(32 392)
Cash/cash equivalents at the year begin:	2	136 700	206 785	211 770	149 860	219 860	219 860	219 860	187 137	155 098	121 344
Cash/cash equivalents at the year end:	2	206 785	211 770	219 860	147 705	187 137	187 137	187 137	155 099	121 344	88 682

Explanatory notes to Table A7: - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The Municipality's cash position changes year-on-year. Cash to the amount of R187,137 million is expected at the end of June 2019. This amount will decrease during 2019/20 by R32,037 million.
4. Cash and cash equivalents totals R187,137 million at the end of the 2018/19 financial year, and decreases to R155,099 million by 2019/20.



Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation – (NT – supporting tables)

WC042 Hessequa - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash and Investments available											
Cash/cash equivalents at the year end	1	206 785	211 779	219 860	147 705	187 137	187 137	187 137	155 098	134 844	102 482
Other current investments > 90 days		0	(0)	(0)	(1 000)	(48)	(48)	(48)	(0)	(92)	(142)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and Investments available:		206 785	211 779	219 860	146 705	187 089	187 089	187 089	155 098	134 752	102 340
Application of cash and Investments											
Unspent conditional transfers		69 967	21 251	12 680	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	10 102	13 197	4 146	30 337	22 975	22 975	25 155	17 174	22 818	29 200
Other provisions		–	–	–	–	–	–	–	–	–	–
Long term Investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and Investments:		80 069	34 448	18 827	30 337	22 975	22 975	25 155	17 174	22 818	29 200
Surplus/(shortfall)		126 717	177 332	203 034	116 388	164 114	164 114	161 934	137 928	111 936	74 140

Explanatory notes to Table A8: - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end, and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the table it can be seen that the 2019/20 MTREF Budget shows a surplus for each period.
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2019/20 MTREF is funded.
7. As part of the budgeting and planning guidelines that informed the compilation of the 2019/20 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

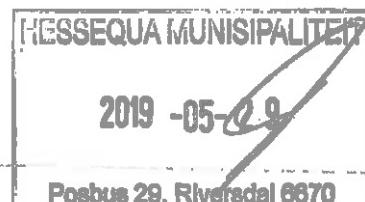


Table A9: - Asset Management – (NT – supporting tables)

WC042 Hessequa - Table A9 Asset Management

R thousand	Description	Ref	2018/19		2019/20		Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20	Budget Year +1 2020/21	Budget Year +2 2021/22		
CAPITAL EXPENDITURE													
Total New Assets		1	18 220	10 860	31 903	44 094	48 560	46 590	41 250	36 404	39 466		
Roads Infrastructure					1 614	367	3 400	3 400	3 400	1 260	5 600	13 150	
Storm water Infrastructure						437							
Electrical Infrastructure			2 303		7 524	8 765	3 810	3 810	7 038	2 800	2 160		
Water Supply Infrastructure					163	8 501	11 825	17 460	17 460	10 702	6 000	12 800	
Sanitation Infrastructure			7 217	827	554	6 284	4 968	4 959	2 060	1 350	1 850		
Solid Waste Infrastructure						44	260	250	250	100	100		
Rail Infrastructure													
Coastal Infrastructure													
Information and Communication Infrastructure						850	1 043	983	983	905	9 410	2 250	
Infrastructure			9 821	2 724	19 307	28 537	30 861	30 861	22 042	25 260	32 010		
Community Facilities					64	134	1 375	1 338	1 338	900			
Sport and Recreation Facilities					65	39	120	120	120	20		35	
Community Assets						120	173	1 458	1 458	920		35	
Heritage Assets													
Revenue Generating													
Non-revenue Generating													
Investment properties													
Operational Buildings			106	569	1 233	300	998	998		115			
Housing													
Other Assets			106	569	1 233	300	998	998		115			
Biological or Cultivated Assets													
Servitudes													
Licences and Rights													
Intangible Assets													
Computer Equipment			1 302	810	566	320	938	938	889	383	638		
Furniture and Office Equipment			718	693	1 281	268	522	522	330	983	208		
Machinery and Equipment			1 398	750	1 878	1 005	1 583	1 583	2 339	4 064	2 871		
Transport Assets			4 286	4 893	7 848	9 860	9 860	9 860	14 685	4 880	4 000		
Land													
Zoo's, Marine and Non-biological Animals													
Total Renewal of Existing Assets													
Roads Infrastructure		2	66 638	112 560	10 450	5 012	5 015	5 015	11 570	5 880	5 430		
Storm water Infrastructure			10 428	85 524	7 770	500	827	827					
Electrical Infrastructure													
Water Supply Infrastructure			29 851	5 743		300							
Sanitation Infrastructure			5 080	8 506					450	360	1 750		
Solid Waste Infrastructure			16 003	8 384									
Rail Infrastructure			163	280									
Coastal Infrastructure													
Information and Communication Infrastructure													
Infrastructure			64 262	108 427	7 770	500	827	827	5 450	5 530	1 780		
Community Facilities					1 721	184	180	180	150	450	300		
Sport and Recreation Facilities					490	2 477	4 032	3 908	3 908	5 670	5 150	3 300	
Community Assets						2 220	2 661	4 212	4 088	4 088	5 120	5 450	3 650
Heritage Assets													
Revenue Generating													
Non-revenue Generating													
Investment properties													
Operational Buildings			2 378	1 637									
Housing													
Other Assets			2 378	1 637									
Biological or Cultivated Assets													
Servitudes													
Licences and Rights													
Intangible Assets													
Computer Equipment					201								
Furniture and Office Equipment					124								
Machinery and Equipment													
Transport Assets													
Land													
Zoo's, Marine and Non-biological Animals													

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Table A9: - Asset Management – (NT – supporting tables) (Continue)

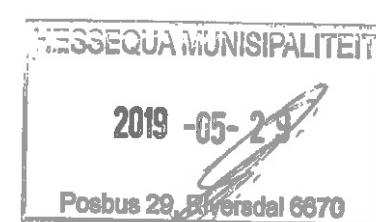
WC042 Hessequa - Table A9 Asset Management

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
					Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	
R thousand										Budget Year +1 2020/21	
Total Upgrading of Existing Assets	8	-	-	-	19 277	19 477	40 812	40 812	67 844	31 859	23 847
Roads Infrastructure		-	-	-	922	7 281	7 889	7 889	11 000	5 581	5 080
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	1 050	10 790	1 065	1 065	14 550	8 490	5 800
Water Supply Infrastructure		-	-	-	1 112	4 410	5 457	5 457	2 870	2 300	3 300
Sanitation Infrastructure		-	-	-	15 044	24 637	21 484	21 484	25 818	15 140	6 148
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	19 127	47 389	38 705	38 705	64 338	31 859	26 308
Community Facilities		-	-	-	1 135	1 820	1 618	1 819	958	1 770	1 110
Sport and Recreation Facilities		-	-	-	211	1 908	1 800	1 800	2 198	3 124	2 420
Community Assets		-	-	-	1 348	3 728	3 719	3 719	3 183	4 884	3 830
Heritage Assets		-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	228	80	180	180	-	85	-
Housing		-	-	-	8	-	-	-	-	-	-
Other Assets		-	-	-	237	80	180	180	-	65	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	188	280	238	238	93	9	9
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	88 867	123 138	82 300	100 582	92 477	92 477	110 408	77 843	68 733	
Roads Infrastructure		10 488	67 138	9 089	11 151	12 218	12 218	12 250	11 281	18 210	
Storm water Infrastructure		-	-	-	437	-	-	-	-	-	-
Electrical Infrastructure		32 254	5 743	8 574	17 845	5 775	5 775	22 035	11 640	9 710	
Water Supply Infrastructure		5 080	8 890	10 812	18 235	22 018	22 018	18 673	8 300	16 100	
Sanitation Infrastructure		25 820	0 291	15 597	31 202	25 443	28 443	27 858	16 870	7 706	
Solid Waste Infrastructure		183	290	44	250	250	250	250	100	100	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	850	1 043	983	983	905	9 410	2 250
Infrastructure		73 783	111 181	45 203	77 726	68 594	68 594	87 630	57 381	54 069	
Community Facilities		-	1 785	1 453	3 375	3 337	3 337	2 305	2 070	1 460	
Sport and Recreation Facilities		-	584	2 726	6 080	5 928	5 928	7 888	8 274	5 755	
Community Assets		-	2 369	4 179	9 438	9 264	9 264	10 193	10 344	7 345	
Heritage Assets		-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-
Operational Buildings		2 482	2 108	1 462	380	1 188	1 188	-	-	180	-
Housing		-	-	-	8	-	-	-	-	-	-
Other Assets		2 482	2 108	1 470	380	1 188	1 188	-	-	180	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	316	316	170	-	-	-
Computer Equipment		1 362	1 571	880	938	938	938	888	383	835	
Furniture and Office Equipment		710	817	1 457	699	780	780	424	887	215	
Machinery and Equipment		3 308	780	1 878	1 956	1 683	1 683	2 339	4 064	2 671	
Transport Assets		4 288	4 893	7 648	9 680	8 580	8 580	14 585	4 280	4 000	
Land		-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		88 867	123 138	82 300	100 582	92 477	92 477	110 408	77 843	68 733	

Table A9: - Asset Management – (NT – supporting tables) (Continue)

WC042 Hessequia - Table A9 Asset Management

R therefore	Description	Ref	Current Year 2019/10			2019/20 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20
								Budget Year +1 2020/21
ASSET REGISTER SUMMARY - PPE (NDV)								
Roads Infrastructure	5	712 008	832 122	864 063	831 188	811 137	811 137	891 983 1 024 270 1 068 384
Storm water Infrastructure		133 807	216 066	232 772	169 051	182 846	182 846	169 070 195 381 207 808
Electrical Infrastructure		88 442	92 000	99 034	114 481	102 381	102 381	87 787 94 477 95 568
Water Supply Infrastructure		60 030	65 018	69 826	74 120	67 309	67 309	127 230 135 240 141 627
Sanitation Infrastructure		66 885	105 183	103 344	136 947	116 060	116 060	102 811 105 207 123 670
Solid Waste Infrastructure		477	718	704	29 760	28 436	28 436	140 104 162 163 164 882
Rail Infrastructure								20 757 16 077 9 205
Cosatel Infrastructure								—
Information and Communication Infrastructure								—
Infrastructure					1 180	1 120	1 120	2 002 11 387 13 510
		372 024	471 172	861 000	830 770	834 994	834 994	830 120 891 047 716 275
Community Assets		14 771	15 061	17 377	20 223	20 063	20 063	17 223 37 720 39 082
Heritage Assets		8 322	8 322	8 322	8 322	8 322	8 322	8 322 8 322 8 322
Investment properties		68 307	70 005	71 225	69 405	71 227	71 227	71 225 71 225 71 225
Other Assets		210 743	234 848	100 878	161 872	174 006	174 006	172 453 171 080 177 028
Intangible Assets		342	320	289	432	866	866	366 172 147
Computer Equipment		4 589	4 456	4 095	4 648	4 645	4 645	4 280 4 920 4 410
Furniture and Office Equipment		1 410	1 809	8 105	2 330	2 821	2 821	2 641 2 000 2 098
Machinery and Equipment		8 114	8 284	15 041	8 495	9 333	9 333	10 049 13 681 18 193
Transport Assets		14 367	16 163	26 062	27 781	27 781	27 781	30 505 31 647 34 005
Land								—
Zoo's, Marine and Non-biological Animals								—
TOTAL ASSET REGISTER SUMMARY - PPE (NDV)		5	712 008	832 122	864 063	831 188	811 137	811 137 891 983 1 024 270 1 068 384
EXPENDITURE OTHER ITEMS								
Description	7	40 822	89 137	99 185	112 844	112 085	112 085	116 321 127 744 135 161
Results and Outcomes by Asset Class		24 836	25 094	30 031	36 080	35 080	35 080	34 743 38 038 38 110
Roads Infrastructure		3 15 000	63 333	69 154	70 764	70 735	70 735	62 678 71 700 87 022
Storm water Infrastructure		1 541	18 412	18 888	19 078	20 016	20 016	20 389 22 632 24 198
Electrical Infrastructure		1 891	10 357	10 882	13 302	13 063	13 063	15 033 16 720 17 863
Water Supply Infrastructure		548	8 007	8 454	11 289	11 870	11 870	12 127 12 074 13 881
Burden Infrastructure		61	8 786	9 040	8 785	9 610	9 618	11 180 11 934 12 774
Solid Waste Infrastructure		22	2 061	2 014	2 431	2 307	2 307	3 615 3 867 4 137
Rail Infrastructure								—
Cosatel Infrastructure								—
Information and Communication Infrastructure								—
Infrastructure		4 100	40 273	48 282	57 070	57 080	57 080	63 210 68 640 73 211
Community Facilities		81	—	1 605	1 649	2 310	2 310	2 817 4 088 3 138
Sport and Recreation Facilities		381	—	5 790	5 857	8 771	8 771	7 400 7 886 8 876
Community Assets		443	—	7 401	8 717	8 681	8 681	10 016 11 001 11 813
Heritage Assets								—
Revenue Generating								—
Non-revenue Generating								—
Investment properties								—
Operational Buildings		6 074	8 379	1 651	2 120	1 848	1 845	2 209 2 356 2 812
Housing				20	21	21	21	18 16 18
Other Assets		8 074	8 379	1 871	2 181	1 868	1 864	2 204 2 372 2 830
Biological or Cultivated Assets								—
Services								—
Licences and Rights								—
Intangible Assets								—
Computer Equipment		245	1 470	1 701	1 908	1 902	1 902	2 104 2 250 2 483
Furniture and Office Equipment		26	150	155	265	266	266	270 301 328
Machinery and Equipment		326	1 006	1 036	2 473	2 497	2 497	3 400 2 829 2 768 2 938
Transport Assets		4 481	4 176	9 068	4 113	4 131	4 131	3 182 3 881 4 000
Land								—
Zoo's, Marine and Non-biological Animals								—
TOTAL EXPENDITURE OTHER ITEMS		40 822	89 137	99 185	112 844	112 085	112 085	116 321 127 744 135 161



WC042 Hessequa - Table A9 Asset Management

Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Renewal and upgrading of Existing Assets as % of total capex		77.5%	91.4%	48.6%	56.2%	49.7%	49.7%	82.0%	54.6%	42.6%
Renewal and upgrading of Existing Assets as % of deprecn		268.3%	439.8%	100.9%	157.1%	127.7%	127.7%	199.0%	118.1%	76.8%
R&D as a % of PPE		2.4%	8.4%	8.9%	9.0%	8.2%	8.2%	9.2%	9.7%	9.8%
Renewal and upgrading and R&D as a % of PPE		12.0%	21.0%	12.0%	14.0%	13.0%	13.0%	15.0%	13.0%	12.0%

Explanatory notes to Table A9: - Asset Management

Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.



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Postbus 29, Universdal 6670

Table A10: - Basic service delivery measurement – (NT – supporting tables)

WCO42 Hessequa - Table A10 Basic service delivery measurement

Description	Ref	2018/19	2019/20	2017/18	Current Year 2019/20			Budget Information Term Reference		
		Outcomes	Outcome	Outcomes	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Household services targets										
Water:	1									
Flush water (in dwelling)		13 810	13 310	13 030	13 035	13 035	13 036	14 432	15 383	16 132
Flush water (not in dwelling)		—	—	—	—	—	—	—	—	—
Using public tap (at least min. service level)	2	427	427	440	440	440	440	482	482	508
Other water supply (at least min. service level)	4	—	—	—	—	—	—	—	—	—
Minimum Service Level and Above sub-total		13 743	13 743	14 375	14 375	14 375	14 375	15 094	15 840	16 641
Using public tap (< min. service level)	3	—	—	—	—	—	—	—	—	—
Other water supply (< min. service level)	4	—	—	—	—	—	—	—	—	—
No water supply		—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total										
Total number of households	5	13 743	13 743	14 375	14 375	14 375	14 375	15 094	15 840	16 641
Sanitation/sewage:										
Flush toilet (connected to sewerage)		12 987	12 867	13 437	13 437	13 437	13 437	14 108	14 914	15 656
Flush toilet (with septic tank)		—	—	—	—	—	—	—	—	—
Chemical toilet		—	—	—	—	—	—	—	—	—
Pit toilet (ventilated)		—	—	—	—	—	—	—	—	—
Other toilet providers (> min. service level)		—	—	—	—	—	—	—	—	—
Minimum Service Level and Above sub-total		12 987	12 867	13 437	13 437	13 437	13 437	14 108	14 914	15 656
Bucket toilet		—	—	—	—	—	—	—	—	—
Other toilet providers (< min. service level)		—	—	—	—	—	—	—	—	—
No toilet provision		—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total										
Total number of households	6	12 987	12 867	13 437	13 437	13 437	13 437	14 108	14 914	15 656
Energy:										
Electricity (at least min. service level)		14 273	14 273	4 516	4 516	4 516	4 516	4 742	4 978	5 228
Electricity - prepaid (min. service level)		—	—	8 869	8 869	8 869	8 869	10 362	10 870	11 418
Electricity (< min. service level)		—	—	—	—	—	—	—	—	—
Electricity - prepaid (< min. service level)		—	—	—	—	—	—	—	—	—
Other energy sources		—	—	—	—	—	—	—	—	—
Minimum Service Level and Above sub-total		14 273	14 273	14 375	14 375	14 375	14 375	15 094	15 840	16 641
Using own refuse dump		—	—	—	—	—	—	—	—	—
Using own refuse dump		—	—	—	—	—	—	—	—	—
Other rubbish disposal		—	—	—	—	—	—	—	—	—
No rubbish disposal		—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total		—	—	—	—	—	—	—	—	—
Total number of households	6	13 068	13 068	13 168	13 168	13 168	13 168	13 824	14 616	15 341
Households receiving Free Basic Services	7									
Water (5 Kilolites per household per month)		4 782	4 961	3 647	5 061	5 061	5 061	5 111	5 162	5 175
Sanitation (free minimum service to Indigent households)		4 679	4 753	4 798	4 889	4 889	4 889	4 938	4 985	4 985
Electricity/other energy (80kwh per household per month)		4 968	5 270	5 395	5 385	5 385	5 385	5 439	5 493	5 508
Refuse (removed at least once a week)		4 943	5 095	4 889	5 107	5 107	5 107	5 248	5 302	5 318
Cost of Free Basic Services provided - Formal Settlements (R1000)		—	—	—	—	—	—	—	—	—
Water (8 Kilolites per household per month)		1 069	1 163	1 022	1 002	1 002	1 002	2 353	2 750	2 878
Sanitation (service to Indigent households)		8 857	7 365	7 085	7 855	7 855	7 855	8 057	9 781	10 884
Electricity/other energy (80kwh per household per month)		2 408	2 073	2 088	3 046	3 046	3 046	3 200	3 820	3 766
Refuse (removed at least once a week for Indigent households)		5 388	5 828	6 200	7 112	7 112	7 112	8 170	9 405	10 158
Total cost of FBG provided		15 823	17 047	17 067	18 815	19 016	19 016	23 870	25 464	27 404
Highest level of free services provided per household										
Property rates (R value threshold)		50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000
Water (kilolites per household per month)		8	8	8	8	8	8	8	8	8
Sanitation (kilolites per household per month)		8	8	8	8	8	8	8	8	8
Sanitation (Rand per household per month)		80	50	60	50	50	50	50	50	50
Electricity (kwh per household per month)		8	8	8	8	8	8	8	8	8
Refuse (average R/s per week)		80	80	80	80	80	80	80	80	80
Revenue - cost of provided and services provided (R1000)		—	—	—	—	—	—	—	—	—
Property rates (R value threshold)		8 194	8 810	8 978	8 063	8 063	8 063	8 409	9 075	9 801
Property rates (exemptions, reductions and rebates and impermeable values in excess of section 17 of MPRA)		5 660	6 344	5 328	7 227	7 227	7 227	7 217	7 704	8 418
Water (in excess of 8 kilolites per household per month)		—	—	315	334	334	334	361	388	413
Sanitation (in excess of free sanitation, service to Indigent households)		—	—	—	—	—	—	—	—	—
Electricity/other energy (in excess of 80 kwh per household per month)		—	—	—	—	—	—	—	—	—
Refuse (in excess of one removed a week per household)		—	—	—	—	—	—	—	—	—
Municipal Housing - rental rebates		40	103	95	95	95	95	103	111	120
Housing - top structure subsidies		8	49	—	—	—	—	—	—	—
Other		309	318	334	334	334	334	361	390	421
Total revenue cost of subsidised services provided		12 205	12 904	14 037	16 064	16 064	16 064	17 736	19 182	

Explanatory notes to Table A10: - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The budget provides for an average of 5 184 households between the services to be registered as indigent in 2019/20, and therefore entitled to receiving Free Basic Services.
3. It is anticipated that these Free Basic Services will cost the municipality R23,078 million in 2019/20, in the outer years free basic services are R25,464 million for 2020/21 and R27,466 million in 2021/22. In addition to these free services the Municipality also gives Property rates: exemptions, reductions and rebates adding to R8,403 million in 2019/20, R9,075 million for 2020/21 and R9,801 million for 2021/22.

PART 2 - SUPPORTING DOCUMENTATION

2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS

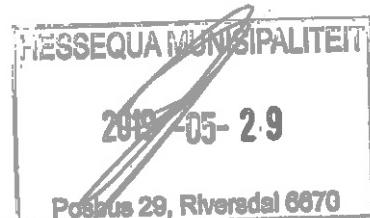
Political Oversight of the Budget Process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aim of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of the municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.



2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table to Council ten months before the start of the new financial year, a time schedule that sets out the process to revise the IDP and prepare the budget.

The IDP and Budget time schedule of the 2019/20 budget cycle was approved by Council on 29 August 2018, ten months before the start of the budget year in compliance with legislative directives.

- **October 2018** – Review of the financial strategy and key economic and financial assumptions by the Budget Steering Committee & Executive Management
- **30 November 2018** – Detail departmental budget proposals (Capital and operating) submitted to the Budget and Treasury office for consolidation and assessment against financial planning guidelines
- **30 January 2019** – Council considers the 2018/19 Mid-year Review
- **27 February 2019** – Council approves 2018/19 Adjustment budget
- Weekly Budget Committee meetings to workshop the 2019/20 budget
 - **17 September 2018**
 - **28 November 2018**
 - **25 January 2019**
 - **5 February 2019**
 - **21 February 2019**
 - **27 February 2019**
 - **14 May 2019**
- **27 March 2019** – Tabling to Council of the draft 2019/20 IDP and draft 2019/20 MTREF budget.
- **29 May 2019** – Tabling to Council of the 2019/20 MTREF Budget and IDP.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

The municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget implementation Plan.

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2019/20 MTREF budget extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2019/20 MTREF Budget:

- The 2018/19 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget, were adopted as the upper limits for the new baselines for the 2019/20 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;

- Revenue should be increased by at least 1 - 2 percentage points above the CPI rate p.a. Tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs.
- The 2019/20 MTREF budget prioritizes and targets the municipality to ensure sustainable service levels. The capital budget over the MTREF period provides for the minimum resources that are needed for the current infrastructure and does not address any backlogs of the past. This will result in unaffordable capital budgets.
- The council's goal is to keep tariff increases as low as possible. We are above the guideline as proposed by NT. The recommendation in the Council's Draft Financial Plan is CPI rate + 1 - 2%. The tariff increase for rates is 9%, for water 12%, sewerage 9%, refuse 15% and the electricity tariff increase is approximately 7.0% on average. Factors such as salaries which make out a large component of the operating budget, increases by 7.0%, (salaries increase by 7.0% + new posts and notches) from the 2018/2019 adjusted budget.
- Based on negotiations between the relevant parties on the Bargaining Council agreement, salary increases (excluding new posts and notches) have been calculated into this budget at a percentage increase of 7.0% for the 2019/20 financial year
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
 - Policy priorities and strategic objectives
 - Asset maintenance
 - Economic climate and trends (i.e inflation, Eskom Increases, household debt, migration patterns)
 - Performance trends
 - Cash Flow Management Strategy
 - Debtor payment levels
 - Loan and investment possibilities
 - The need for tariff increases versus the ability of the community to pay for services;
 - Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51 and 54 has been taken into consideration in the planning and prioritisation process.

2.1.4 Community Consultation

A consultation process was carried out during April 2019. During this process members of the community were afforded the opportunity to provide inputs and comments on the draft budget presented to them.



2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP

The vision for Hessequa Municipality as set out for 2017-2022 and beyond is:

A Caring, Serving & Growing Hessequa

The vision aims at a sustainable condition for Hessequa by stabilizing the three pillars on which its existence depends. Our People, our Economy and our Environment. It promises benefits to everyone, responsibility in governance and leadership. The vision is supported by the following Mission Statement:

Our mission is to be a caring, sustainable and transparent municipality. We believe in fairness, quality service delivery, productivity and use of technology to uplift all communities. We want all to be able to access socio-economic freedom as we live responsibly in harmony with the environment.

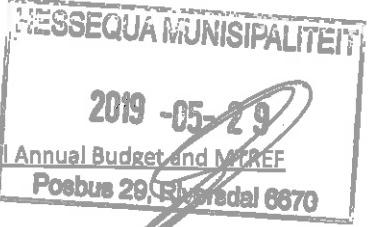
Hessequa Strategic Objectives

As mentioned in the previous section, the vision was developed after serious consideration was given to the current circumstances presented to Hessequa Municipality. Analysis was done in terms of the institutional well-being to come to grips with what the municipality is facing. The financial state of the municipality was scrutinized, as well as the economic realities in different sectors of the economy. The well-being of our people was placed under the "microscope". A valuable resource in the sustainable development in Hessequa is our rich, bio-diverse environment. An asset, but a very fragile one, as changes in climate and extreme weather conditions continues to challenge management of our environment. The Hessequa Council has set the following five Strategic Objectives with specific impacts to be made:

- 1. Good Governance & Public Participation**
- 2. Cost Effective Service Delivery**
- 3. Financial Management**
- 4. Social & Economic Development**
- 5. Environmental Management**



As the heading for this section on strategic objectives reads, these areas need to guide all planning and investments from the municipal budget. The feasibility of any vision is located in the change that has been brought about by the set objectives after focused investment, based on a plan of change. This plan should inevitably be the Integrated Development Plan. It is an important reminder that a plan's credibility is located in the implementing ability of its objectives. "Can we achieve what we want to achieve?" should be asked. If the answer is no to this question, a municipality is most definitely in a process of complacency only and cannot claim, with any reasonable conviction, that the vision stated will become a reality. The 4th Generation IDP of Hessequa Municipality departed on the principles that a vision that cannot be made a reality is not feasible, credible or responsible towards our communities who expect an accountable government. Plainly stated, a government which does what it says it is going to do. The following section looks at the alignment of the objectives conceptualized on a local level with that of National and Provincial Government.



Alignment of Priorities - National, Provincial and Local

The Hessequa IDP process acknowledges the strategic mandate placed on government as a whole and seeks to align its principles, strategies and targets accordingly. The strategic framework which was primarily considered in the development of the 3rd Generation IDP was the methodology found in the national and provincial outcomes based approach to service delivery.

Hessequa Municipality forms part of the Western Cape and hosts several service delivery access points managed by other spheres of government which ranges from provincial departments, national departments and government funded service organizations.

No local municipality can function in isolation from the other two spheres of government involved in its annual processes. Various platforms are maintained by the provincial sphere of government for coordination of oversight within local municipalities. Hessequa Municipality is committed to the development of strengthened service delivery through inter-governmental partnerships and continued collaboration for the good of our communities. Hessequa Municipality also serves as an agent for some functions allocated to provincial government. This has major implications on budgets and management processes that need to be well controlled for reporting purposes to the relevant provincial department.

Continuous engagements based on technical factors takes place throughout the year between national, provincial and local spheres of government. From an IDP perspective there are a few important engagements to highlight.

Pre-Determined Objectives

In terms of alignment between the IDP and the budget, the Strategic Objectives have been broken down into 5 year goals set by Council. These are called Pre-Determined Objectives and creates an integration platform with the budget structure as prescribed by mSCOA.

The following multi-year goals have been set in the IDP and linked to the budget in accordance to mSCOA requirements:

PDO#	IDP Objective	Department	Directorate	Pre-Determined Objective
1	2. Cost Effective Service Delivery	Housing	Director: Community Services	Addressing Housing need of more Beneficiary Categories
2	4. Social & Economic Development	Community Safety		Community Safety Services Development
3	4. Social & Economic Development	Social Development		Social Development Strategy Development and Implementation
4	1. Good Governance & Public Participation	Human Resource	Director: Corporate Services	Personell Development and Improved Management
5	1. Good Governance & Public Participation	Property Administration		Effective Utilisation of Municipal Properties
6	1. Good Governance & Public Participation	ICT		Systems and Governance Improvement (ICT)
7	4. Social & Economic Development	Libraries		Continued Delivery of Public Library Service
8	1. Good Governance & Public Participation	Town Planning	Director: Development	Secure and Improved Spatial Planning Service

PDO#	IDP Objective	Department	Directorate	Pre-Determined Objective
9	1. Good Governance & Public Participation	Building Control	Planning Director: Finance	Responsive Development Planning
10	5. Environmental Management	Environmental Management		Environmental Planning and Management
11	4. Social & Economic Development	LED		Implementation of Economic Development Strategy
12	3. Financial Management	Income		Revenue Enhancement and Management of Properties.
13	3. Financial Management	Income		Affordability Review of Tariffs and Poor Household Support
14	3. Financial Management	Supply Chain Management		Efficient Procurement Processes
15	3. Financial Management	CFO		Sustainable Financial Management
16	2. Cost Effective Service Delivery	Repairs & Maintenance		Efficient Service Delivery within Service Standards
17	2. Cost Effective Service Delivery	Project Planning & Management		Expansion of Externally Funded Programmes
18	2. Cost Effective Service Delivery	Project Planning & Management		Development and Improvement of Project Planning and Management
19	2. Cost Effective Service Delivery	Electro-Mechanical Services	Director: Technical Services	Renewable Energy Planning
20	2. Cost Effective Service Delivery	Parks & Open Space Management		Parks and Open Space Planning and Development
21	1. Good Governance & Public Participation	Internal Audit		Enhanced Assurance
22	1. Good Governance & Public Participation	Strategic Services		Risk Mitigation Improvement
23	1. Good Governance & Public Participation	Strategic Services		Integrated Planning
24	1. Good Governance & Public Participation	Strategic Services		Formalised & Improved Public Participation
25	1. Good Governance & Public Participation	Strategic Services		Strengthened Oversight
26	1. Good Governance & Public Participation	Strategic Services		Improved Performance



2.2.1 District IDP Coordination

The Garden Route District Municipality coordinates the strategic regional process and continues to facilitate important strategic issues on a district level through the gathering of role-players. There are also several technical committees in the district that creates joint planning platforms. Hessequa Municipality supports the processes initiated by the district municipality.

2.2.2 Provincial IDP Forum

The provincial department of Local Government (DPLG) facilitates quarterly meetings where regulatory information is shared and consulted with IDP representatives from all local municipalities in the province. It serves as an important platform for information sharing and more specifically providing the provincial department with a mandate to address certain IGR issues experienced by local municipalities. These sessions have always proven to be helpful and supportive of local municipality's processes

2.2.3 Provincial IDP Program

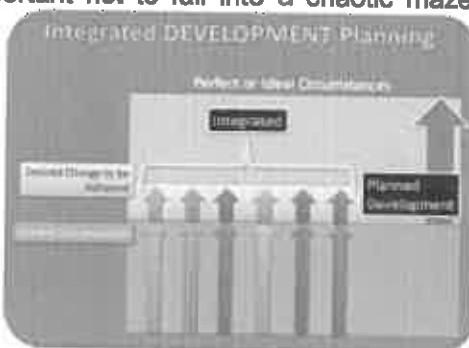
As part of the oversight role that Provincial Treasury needs to fulfil towards local municipalities, two joint planning sessions is organized by DPLG. Both of these sessions aim at aligning the planning provincial government does in all its departments with the realities faced on a local level. Municipalities are given the opportunity to communicate the issues coming from their IDP processes and all departments on a provincial level commits to possible solutions. It has given local municipalities an opportunity to raise and discuss issues coming from our public participation processes in detail. Issues such as provincial roads maintenance, pedestrian safety, funding for backlogs in service delivery and many more have been raised.

2.2.4 The LGMTEC Process

The LGMTEC process is an IGR platform where Provincial Treasury portrays their direct oversight role towards the municipal budget. After the adoption of Draft IDP's and Budgets at the end of March every year, municipalities supply these documents to Provincial Treasury who in turn evaluate the credibility of the strategic plan and the financial plan of the local municipality. Many issues concerning compliancy and financial sustainability are considered and debated with a set of recommendations from Provincial Treasury to the local municipality as an outcome. Hessequa Municipality commits to this process and supports the oversight role of provincial government for transparency and accountability reasons.

2.2.5 Integrated DEVELOPMENT Planning & Review

When the integration of processes have been dealt with, it is important not to fall into a chaotic maze of managing each and every little activity that the municipality is already doing on a daily basis. This indirectly relates to the similar notion of trying to manage the performance of each and every person in service of the municipality through the formal Performance Management System. It becomes an immense task to manage all the information and very confusing as different departments have different organizational layouts where one person might receive instructions from two people and of a varying nature. Even though it is possible, it creates a problem in terms of the original goal when we started to "plan". It is supposed to be planning of a "developmental" nature. The goal is to create a plan for "calculated changes" to the current



"Status Quo". The figure above explains this logic behind the concept of planning that considers the current realities and creates a base line from where the implementation of change departs from, to reach a calculated destination of service delivery.

Table SA4: - Reconciliation between the IDP strategic objectives and budgeted revenue – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective R thousand	Goal	Goal Code Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20	Budget Year +1 2019/21	Budget Year +2 2021/22
SO5 - ENVIRONMENTAL MANAGEMENT			457	573	5 228	4 984	4 984	4 984	5 341	5 171	5 371
SO4 - SOCIAL & ECONOMIC DEVELOPMENT			2 578	108 842	11 228	892	7 047	7 047	1 451	12 568	21 018
SO3 - FINANCIAL MANAGEMENT			86 976	72 264	93 971	98 225	98 225	98 225	111 100	119 181	128 427
SO2 - COST EFFECTIVE SERVICE DELIVERY			248 203	192 813	255 653	298 163	298 082	298 082	306 784	331 557	355 948
SO1 - GOOD GOVERNANCE & PUBLIC PARTICIPATION			51 384	60 592	58 710	51 038	51 581	51 581	57 124	60 130	63 900
Allocations to other priorities		2									
Total Revenue (excluding capital transfers and contributions)		1	369 608	435 084	424 790	453 282	458 899	458 899	481 779	528 607	574 682

Table SA5: - Reconciliation between the IDP strategic objectives and budgeted operating expenditure – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

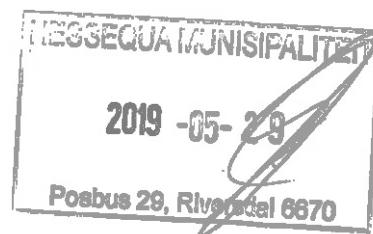
Strategic Objective R thousand	Goal	Goal Code Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20	Budget Year +1 2019/21	Budget Year +2 2021/22
SO5 - ENVIRONMENTAL MANAGEMENT			1 898	1 590	8 598	10 081	9 983	9 983	11 228	11 507	12 256
SO4 - SOCIAL & ECONOMIC DEVELOPMENT			7 307	118 515	16 392	7 731	13 817	13 817	8 788	21 148	29 722
SO3 - FINANCIAL MANAGEMENT			16 982	18 784	32 153	35 138	34 205	34 205	40 872	42 556	45 892
SO2 - COST EFFECTIVE SERVICE DELIVERY			270 749	209 731	293 850	359 778	359 602	359 602	369 716	408 398	441 973
SO1 - GOOD GOVERNANCE & PUBLIC PARTICIPATION			42 238	42 430	54 365	60 237	81 155	81 155	66 788	71 048	73 842
Allocations to other priorities											
Total Expenditure		1	339 175	391 050	405 358	472 875	478 742	478 742	487 391	584 658	603 685



Table SA6: - Reconciliation between the IDP strategic objectives and budgeted capital expenditure – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective R thousand	Goal	Goal Code	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
SO5 - ENVIRONMENTAL MANAGEMENT				38		48	88	107	107	35	606	-
SO4 - SOCIAL & ECONOMIC DEVELOPMENT				33	5 819	221	412	405	405	315	48	7 510
SO3 - FINANCIAL MANAGEMENT				207	253	4 757	6 620	7 576	7 576	5 224	8 307	4 518
SO2 - COST EFFECTIVE SERVICE DELIVERY				84 080	114 897	65 645	91 610	82 461	82 461	103 644	60 950	53 735
SO1 - GOOD GOVERNANCE & PUBLIC PARTICIPATION				1 609	2 368	1 628	1 653	1 928	1 928	1 181	10 033	2 970
Allocations to other priorities	3											
Total Capital Expenditure	1			88 967	123 138	62 300	106 582	92 477	92 477	110 468	77 943	66 733



2 . 3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Municipalities in South Africa have undergone radical changes in terms of legislative requirements and especially lower capacity local councils have struggled to implement the changes. Economic realities have also caused pressure on councils to be more responsible in terms of expenditure. Furthermore communities have grown tired of promises being made indirectly in terms of planning that have been communicated with them from municipalities. This has been seen where communities publicly expressed their dissatisfaction with the delivery on promises made by councils by protests. Furthermore we see how other communities are not interested in any planning processes anymore as they experience it as "useless" exercises due to "nothing happening" after the inputs to the plans was given.

The concept of Pre-Determined Objectives (PDO's) strives to rectify this very issue. It is being requested by the Auditor General of South Africa that municipalities must set their targets in their planning and be able to annually prove to the external auditing process how delivery was done and progress made on these objectives that were made. This requirement forces a municipality to start and be accountable to its communities. It forces objective communication between the municipality and its communities, and targets that are being set cannot be "unreal". It should be achievable and implementable. No more "pies in the skies" to make use of the informal figure of speech. It also forces municipalities to take stock of their capacity to implement the changes promised. Ultimately it becomes a tool to make realistic promises to the communities on issues relating to them.

Even though it seems to promise much, there is still a mountain of problems on the doorstep of municipalities in South Africa. However, gradual overcoming of obstacles can be planned for and realistic targets can be identified and communicated with the residents.

2.3.1 Process Explanation

1. After a set of Focus Areas have been identified, the vision is developed from it. In essence it becomes a summary of what the council deems important for Strategic Change, instead of a completely irrational and unrealistic vision which isn't meaningful at all.
2. After the Focus Areas have been identified, each is then broken down into Strategic Objectives (PDO's) that need to be delivered during Council's term of office that is needed to make the desired Impact. This is the first set of Objectives that a municipality has direct control over. This means that the municipality commits to a specific set of deliverables to attain the change desired by the residents.
3. After the PDO's have been developed in terms of what Council wants to see, the officials continue to break down all Strategic Objectives into annual Outputs that resembles the change that needs to be brought about annually to attain the objective of the 5 year term of the Council.
4. Then the annual Outputs are broken down into specific Activities/Actions that need to be done to realize the annual Output.
5. Finally of course, everything costs something and the needed resources are allocated to implement the actions. The resources are Human Resources, Financial Resources and Time.

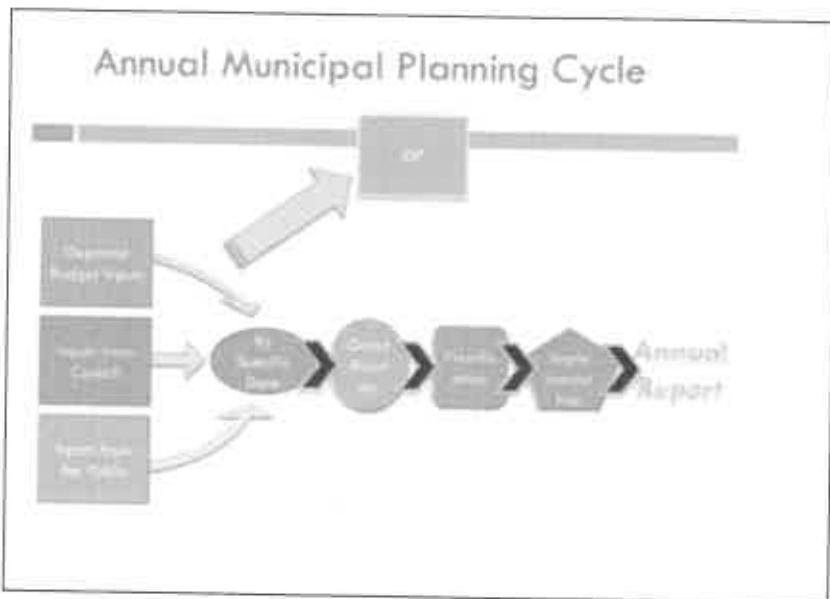
6. At this point the credibility of the goals is able to be tested for the first time. If any of the resources are not going to be available for a specific action, the plan will inevitably fail. This is where the balancing act between Plans and Ability to implement can be calculated in the measurement of Confidence.

2.3.2 The Role of the IDP Review in Context

It is within this background, as briefly highlighted in the previous section that the 3rd Generation IDP process found its point of departure.

The following diagram indicates the current process of planning in many local municipalities.

This layout of the budgetary cycle does look logical and systematic and it even includes the public's inputs as is required by legislation. However, there are several indirect issues that do not get addressed in this model. Indirect symptoms of this methodology that causes a municipality to step into an array of problematic scenarios.



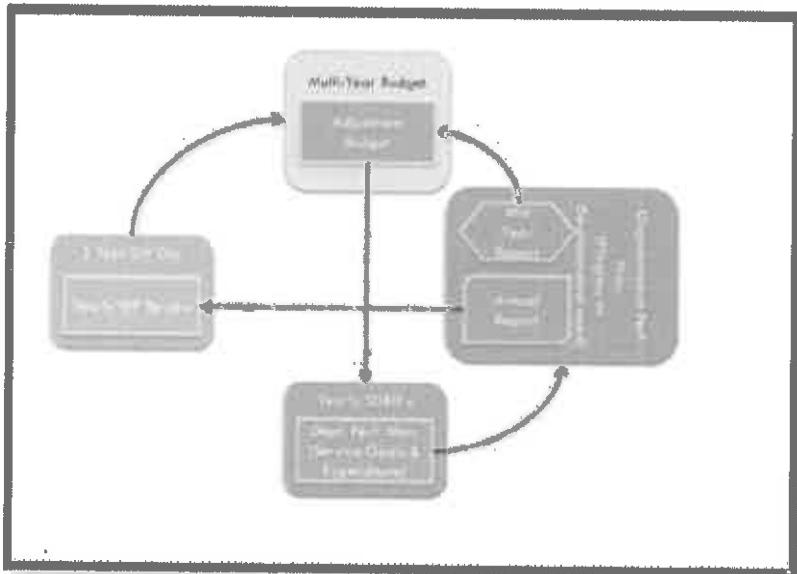
Shortages in this model can be summarized as follows:

- This process clearly identifies the latent assumption that when something is in the IDP, it can be budgeted for. This creates the problematic scenario where every item needs to be "taken up into the IDP" for purposes of allowing it to be budgeted for. The issue is not to get items into the IDP, but more of getting issues forthcoming from planning into the budget.
- Due to the annual nature of the cycle it leaves the items from the previous year that didn't make the priorities of the previous year, to compete again against new priorities. This in effect causes some items to be shifted to outer years every year. It is a risk of getting used to moving certain items out of the annual investment and cause some items to become more and more expensive as they do need to get done one or other time, but the longer the wait, the larger the cost.
- Another risk that the municipality expose themselves to in this manner of going about their business concerning the budget process, is the competition of ad-hoc items that can cause items, which might come from proper sectoral or master planning documentation, to be left out as it might not seem as an immediate issue that needs attention. The fact is actually that municipalities invest a large amount of funds on master planning documentation and when the identified issues is raised, it can get lost in the emotion of issues that might not be as important in terms of sustainable service delivery.
- Due to the annual nature of the cycle it brings the municipality in a short term planning culture. Pro-active investment is sacrificed for quick solutions.

- Even in the midst of municipalities strengthening their capacity in terms of implementation, very little of operational information is used to plan ahead. Thus a proper evaluative process is difficult as impact on development cannot be measured with no multi-year planning that is in place.
- The final issue that needs to be considered is that in this methodology, no resident or investor can get a clear perspective about what the municipality is going to do in the medium term. Except for the interest groups in general, the public would not experience a council that is accountable to what they say they are going to do. In terms of Good Governance as a strategic objective, this process fails the public as inputs given only creates expectations in the hearts of the residents and when the following year little was implemented, the question is asked by the public why they are giving inputs at all as it is not being implemented. Obviously every input can't be satisfied, but at least in a different model people can see what the council commits themselves to over a period of time.

The following diagram displays a medium term planning cycle, integrating the different processes as legislation intended it to be.

First of all the process begins with a 3-5 year plan about what every line function is going to do strategically concerning the identified issues pertaining to their field of responsibility. This allows a multi-year budget to be conceptualized. When this is done the annual targets are set and transferred into the SDBIP process that serves the platform for Departmental Performance Management that compares predetermined objectives to implementation reports. This serves as a source of performance information that guides the municipal performance evaluation, which in turn compares the outcomes of implementation to the developmental need that is experienced by the average resident walking the streets of the municipal area.



The performance reports generated by the performance management system bi-annually informs the adjustment budget after the second quarter of the financial year and at the end of the financial year it serves as departure point for the annual review of the IDP. This would then allow the review to actually fulfil its role of highlighting the differences between predetermined objectives and implementation.

While this methodology seems ideal, it has very sensitive demands.

- First of all this model can only work where all the municipal line functions have a clear understanding about their challenges and have developed reachable targets for impacting their challenges within the municipal financial capabilities.
- A high risk for this model is that the municipal "culture" of how business is done, disrupts the flow of information from one process to the other
- It also takes for granted that each process is perfectly aligned to the other and know exactly what it can ask of the previous and what is expected by the next in terms of information.

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table SA7 - Measurable performance objectives – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA7 Measurable performance objectives

Description	Unit of measurement	2016/16			2017/18			Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22			
Office of the Municipal Manager													
Municipal Manager													
Municipal Manager													
90% Expenditure of the Approved Capital budget for the Municipality	% of budget spent	No KPI Set	80.9%	88.7%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%		
90% of the Approved Operational Budget spent of the Municipality	% of operational budget spent	No KPI Set	91.9%	92.8%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%		
Strategic Services													
Provision of electricity to residential properties connected to the municipal infrastructure network for both prepaid and credit electrical metering	Percentage of formal residential properties connected to the municipal electrical infrastructure network	100.0%	100.0%	98.8%	100.0%	90.0%	90.0%	100.0%	100.0%	100.0%	100.0%		
Provision of water to residential properties connected to the municipal infrastructure network for both prepaid and credit metering	Percentage of formal residential properties connected to the municipal water network	100.0%	81.4%	77.1%	100.0%	80.0%	80.0%	100.0%	100.0%	100.0%	100.0%		
Provision of refuse removal and solid waste disposal for residential account holders	Percentage of residential properties billed for refuse removal	100.0%	81.8%	80.7%	100.0%	80.0%	80.0%	100.0%	100.0%	100.0%	100.0%		
Provision of sanitation/sewage services to residential account holders	Percentage of residential properties billed for sanitation/sewage services	100.0%	83.5%	87.8%	100.0%	80.0%	80.0%	100.0%	100.0%	100.0%	100.0%		
The percentage of registered indigent account holders (poor households) with access to free basic services	Number of registered indigent households	100.0%	88.3%	90.1%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%		
Development of a Integrated IDP Process Plan	Completed Process plan submitted	1	1	1	1	1	1	1	1	1	1		
Submission of Final IDP by May 2017	IDP Submitted to Council by May 2017	No KPI Set	1	1	1	1	1	1	1	1	1		
Submission of Risk Action Plan to Risk Management Committee	Risk Action Plan Submitted to Risk Management Committee	No KPI Set	No KPI Set	No KPI Set	1	1	1	1	1	1	1		
Corporate Management													
Director Corporate Management													
Director Corporate Management													
The percentage of people from employee equity target group employed in the three highest levels of management in compliance with the Municipalities Annual Employment Equity report	% employed of large groups according to Annual Department of Labour Employment Equity report	76.0%	80.5%	88.2%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%		
Review of Risk Register of Directorate and Submission to Chief Risk Officer	Reviewed risk register submitted to Chief Risk Officer	No KPI Set	No KPI Set	No KPI Set	1	1	1	1	1	1	1		
Human Resources													
Maintain an average vacancy rate of less than 10% budgeted staff establishment	Average % vacancy rate less than 10% reported Quarterly to Portfolio committee	7.7%	6.1%	3.3%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%		
Property Administration													
95% Expenditure of Approved budget for maintenance of Municipal Properties	% of approved budget spent	98.0%	81.1%	87.6%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%		
Manager Legal Services	Reviewed municipal Delegation Register submitted	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00		
Revision of Delegation Register by September	Reviewed Municipal Code submitted	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00		
Revision of Municipal code	Reviewed Client Service Standards submitted to Portfolio Committee	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00		
Public Relations	Reviewed Client Service Standards submitted to Portfolio Committee	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00		
Library Services	Number of exhibitions per year	No KPI Set	2088.00	1005.00	672.00	672.00	672.00	750.00	750.00	750.00	750.00		
Hold Library exhibitions in Hessequa	Percentage of Municipal Replacement Grant spent	95.7%	95.0%	96.7%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%		
95% Spending of Municipal Replacement fund (Grant)	Completed Book of Standards - ICT Strategy Initiative	No KPI Set	No KPI Set	No KPI Set	1.00	1.00	1.00	1.00	1.00	1.00	1.00		
IT	Completed Book of standards - Approved by Council	No KPI Set	No KPI Set	No KPI Set	1.00	1.00	1.00	1.00	1.00	1.00	1.00		

Hessequa Municipality

2019/20 Final Annual Budget and MTREF

Table SA7 - Measurable performance objectives – (NT – supporting tables) - CONTINUE

Description	Unit of measurement	2018/19			2019/20			Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
Financial Services											
Director: Financial Services											
Director: Financial Services											
Submit a report on Borrowing Funds and reserves to the Financial Portfolio Committee											
Number of borrowing and reserve funds reports submitted to Portfolio committee											
1											
Submit a liquidity report of the Municipality to the Finance Portfolio Committee by end Feb											
Number of reports submitted to Portfolio Committee											
1 00											
Unaudited Financial Audits as reported by Auditor General											
Review of Risk Register of Directorate and Submission to Chief Risk Officer											
Reviewed risk register submitted to Chief Risk Officer											
Income											
Management of Income annual payment rate of thresholds higher than 85%											
Number of reports submitted											
97.3%											
Submit a detailed report on the status of handed over accounts to PC twice a year											
Expenditure											
60% Spending of Financial Management Grant											
Percentage of Financial Management Grant spent											
100.0%											
Development Planning											
Director: Development Planning											
Quarterly report on development trends to PC											
Number of reports submitted to PB											
No KPI Set											
Review of Risk Register of Directorate and Submission to Chief Risk Officer											
Reviewed risk register submitted to Chief Risk Officer											
Town planning											
Evaluate land use applications within 120 days by the Planning Tribunal after receipt of all relevant information and documents in terms of SPLUMA											
Number of applications evaluated within 120 days											
No KPI Set											
Evaluate land use applications within 60 days by the delegated officer, after receipt of all relevant information and documents in terms of SPLUMA											
Number of applications evaluated within 60 days											
No KPI Set											
Building control											
Approve building plans within 30 days for buildings less than 500m² and 60 days for buildings larger than 500m² after receipt of all information required is correctly submitted											
Number of plans evaluated											
100.0%											
Finalise occupancy certification within 14 days after receipt of all applicable information											
Number of certificates completed within 14 days											
Environmental Management											
Review of the Climate Change Adaptation plan											
Reviewed plan submitted											
No KPI Set											
Review of the Hessequa Air Quality Management Plan											
Reviewed plan submitted											
Local Economic Development and Tourism											
Submit a quarterly report indicating progress in terms of Economic Development programmes to PC											
Number of reports submitted											
No KPI Set											
Submit a quarterly report indicating progress in terms of tourism programmes to PC											
Number of reports submitted											
No KPI Set											
Report Quarterly on the Strategic Transformation Process to PC											
Number of reports submitted											
Technical Services											
Director: Technical Services											
90% Expenditure of the approved Capital Budget of the Infrastructure Services Department											
% capital budget spent											
83.8%											
90% Expenditure of the approved Operational Budget of the Infrastructure Services Department											
% of expenditure budget spent											
87.0%											
Review of Risk Register of Directorate and Submission to Chief Risk Officer											
Reviewed risk register submitted to Chief Risk Officer											
Electrical and Mechanical Services											
Limit electricity losses to 10%											
% unaccounted electricity limited to less than 10%											
8.8%											
90% Expenditure of National Electrification Grant spent											
98.0%											
Observing, Solid Waste, Utilities and Amenities											
Feedback Report to Portfolio committee regarding Blue Flag Beaches											
Civil Infrastructure Services											
Limit Water losses to less than 30%											
% of water losses											
12.0%											
Number of FTE's created											
81.00											
Civil Planning and Project Management											
90% utilisation of Municipal Infrastructure Grant (MIG)											
% of Grant spent											
83											
Report submitted											
Report submitted											

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Table SA7 - Measurable performance objectives – (NT – supporting tables) - CONTINUE

WC042 Hessequa - Supporting Table SA7 Measurable performance objectives

Description	Unit of measurement	2018/18	2018/17	2017/18	Current Year 2018/18			2018/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20	+1 2019/21	+2 2020/22
Community Services										
Director Community Services										
Director Community Services										
Review of Risk Register of Directorate and Submission to Chief Risk Officer	Reviewed risk register submitted to Chief Risk Officer	No KPI Set	No KPI Set	No KPI Set	1	1	1	1	1	1
Human Settlements										
Review the housing Pipeline in Collaboration with the Department of Human Settlements	Housing pipeline reviewed and submitted to Portfolio Committee	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Scheduled outreach programmes for all towns to update housing waiting lists	Number of outreach conducted	No KPI Set	7.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Community Development										
Implementation of Social development initiatives	Number of initiatives conducted	18.00	24.00	21.00	12.00	12.00	12.00	12.00	12.00	12.00
Implementation of Sport Development Initiatives	Number of initiatives conducted	12.00	12.00	18.00	10.00	10.00	10.00	10.00	10.00	10.00
Implement the Thusong Outreach Programme	Number of mobile outreach initiatives conducted	6.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Protection Services										
Receive a performance of not less than 80% for the formal Provincial Audits on the licensing Agency Services	Average % achieved in Audit	93.00%	85.23%	81.80%	80.00%	80.00%	80.00%	80.00%	80.00%	80.00%
Conduct integrated vehicle checkpoints	Number of checkpoints per quarter	21	9.00	32	12	12	12	12	12	12
Establishment of Fire Fighting Service by the procurement of Equipment by 80% of the capital budget spent for 2017/18.	% of Capital budget for Equipment for Fire Fighting Services spend	No KPI Set	13%	77.07%	80.00%	80.00%	80.00%	80.00%	80.00%	80.00%



2.4 PERFORMANCE INDICATORS AND BENCHMARKS

The following table sets out the municipalities main performance objectives and benchmarks for the 2019/20 MTREF.

Table SA8: - Performance indicators and benchmarks – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA8 Performance Indicators and benchmarks

Description of financial indicator	Basic of calculation	2018/19	2019/20	2017/18	Current Year 2018/19				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	7.4%	3.1%	8.6%	7.7%	8.1%	8.1%	8.1%	8.5%	8.2%	8.9%
Capital Charges to Own Revenue	Finance charges & Repayment of Borrowing /Own Revenue	8.0%	3.3%	9.5%	8.2%	9.7%	9.7%	9.3%	9.0%	11.2%	11.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	79.2%	0.3%	0.3%	84.1%	48.0%	48.0%	48.0%	67.2%	68.4%	71.7%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	438.7	454.0	383.1	612.0	504.8	504.8	504.8	585.7	784.8	814.8
Liquidity											
Current Ratio	Current assets/current liabilities	1.8	2.5	2.5	2.0	2.4	2.4	2.4	2.1	1.8	1.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.9	2.5	2.8	2.0	2.4	2.4	2.4	2.1	1.8	1.4
Liquidity Ratio	Monetary Assets/Current Liabilities	1.5	2.0	2.3	1.5	1.8	1.8	1.8	1.8	1.3	0.9
Revenue Management											
Annual Debtors Collection Rate (Payment Level of 18)	Last 12 Mths Receipts/Last 12 Mths Billing	98.0%	98.7%	98.9%	98.0%	98.0%	98.0%	98.0%	92.0%	98.0%	98.0%
Current Debtors Collection Rate (Cash receipts % of Receivable & Other revenue)	98.0%	98.7%	98.9%	98.0%	98.0%	98.0%	98.0%	92.0%	98.0%	98.0%	98.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	10.7%	11.3%	12.8%	10.8%	11.7%	11.7%	11.3%	10.8%	8.7%	9.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's due)										
Creditors to Cash and Investments		21.4%	25.9%	37.2%	47.9%	36.8%	36.8%	36.8%	40.4%	51.2%	73.7%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kWh)	8 879 883	8 290 400	8 280 000	8 181 800	8 181 900	8 181 900	8 181 900	8 420 000	8 422 000	8 420 000
	Total Cost of Losses (Rand '000)	7 908		8 038	8 765	8 765	8 755	8 755	8 009	8 008	8 009
	% Volume (units purchased and generated less units sold)/units purchased and generated	10%	9%	10%	9%	9%	9%	9%	9%	9%	9%
Water Distribution Losses (2)	Total Volume Losses (kL)	402	203	650	640	640	640	640	638	638	638
	Total Cost of Losses (Rand '000)	909	940	1 326	1 172	1 172	1 172	1 172	1 172	1 172	1 172
	% Volume (units purchased and generated less units sold)/units purchased and generated	23%	12%	29%	12%	12%	12%	12%	12%	12%	12%
Employee costs	Employee costs/(Total Revenue - capital revenue)	31.5%	29.4%	26.4%	36.7%	35.9%	35.9%	34.5%	38.7%	37.6%	37.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	33.1%	30.9%	37.1%	38.0%	37.7%	37.7%		40.4%	38.2%	38.7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.2%	14.8%	16.3%	16.9%	16.7%	16.7%		17.3%	17.3%	18.8%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	10.4%	10.0%	11.5%	12.5%	12.4%	12.4%	11.8%	11.7%	11.8%	11.5%
IDP registration financial viability indicators											
I. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	22.4	10.4	18.0	18.2	16.2	16.2	13.6	12.2	12.5	13.4
II.O/S Service Debts to Revenue	Total outstanding service debts/annual revenue received for services (Available cash + investments)/monthly fixed operational expenditure	15.8%	18.8%	18.8%	18.0%	18.0%	18.0%	18.0%	14.8%	13.9%	13.2%
III. Cost coverage		0.1	7.3	7.0	4.5	5.7	5.7	5.7	4.5	3.6	2.5

2.4.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its credit worthiness and financial position. As with all other municipalities, Hessequa Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the Municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2019/20 MTREF:

- *Capital charges to operating expenditure* are a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing has gradually increased from 7.4% in 2015/16 to 8.5% in the 2019/20 financial year. For the two outer years of the 2019/20 MTREF it steadily increases. (This includes the rewinding of interest of Landfill Sites)

Requirements of the Borrowing Funds and Reserves Policy

- In terms of the Borrowing Funds and Reserves Policy interest and redemption paid to Total Expenditure not to exceed 8%. Total Long-term Debt to Total Operating Revenue (excluding conditional grants and transfers) not to exceed 35%
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The average over MTREF is 71.9%.

2.4.2 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a limit of 1.5:1, the ratio over the MTREF period is above this benchmark.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. The pre-audit outcome is 1.8. For the first year of the 2019/20 MTREF period the ratio is 1.6, 1.3 in 2020/21 and 0.9 in 2021/22.

2.4.3 Revenue Management

As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

2.4.4 Creditors Management

The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice.

2.4.5 Other Indicators

- The electricity distribution losses have been managed constantly between 9% - 10% over the past years and kept at 9% over the 2019/20 MTREF period. The initiatives to ensure these targets are achieved include managing illegal connections and theft of electricity by rolling out smart metering systems, including prepaid meters.
- The water distribution losses have gradually decreased from 29% in 2017/18 to 12% over the 2019/20 MTREF period. The municipality is committed to its initiatives that monitor these losses and to prevent these losses.
- Employee costs as a percentage of operating revenue is 38.7% for 2019/20. (excl. councillors)
- Repairs and maintenance as percentage of operating revenue is 17.3% in 2019/20 and decrease to 16.9% in 2020/21.

2.5 PROVIDING CLEAN WATER AND MANAGING WASTE WATER

The following information is provided as requested in terms of Circular 58 from National Treasury.

Name of the Water Service Authority in the area and the name of the Water Service Provider, and who actually manages the provision of drinking water and waste water management (if sourced).

Hessequa Municipality is the Water Service Authority who manages the provision of drinking Water and Waste water. Hessequa Municipality is also the Water Service Provider for all the ten towns in the Hessequa Municipal area. Water is purchased from Overberg Water board for Heidelberg, Slangrivier and Witsand, and water is purchased from the Korrentepoort Water board for Riversdale. The other towns Albertinia; Still Bay; Gouritsmond; Vermaaklikheid; Melkhoutfontein; Jongensfontein receives water from various boreholes; fountains and overland flow.

Hessequa Municipality manages the water and waste water quality in terms of compliance to the relevant legislation. Regular tests are carried out on the plants as part of the daily operational routines. Tests are also carried monthly by an external services provider. The results of these tests are reported to the Technical Services Committee of Council on a monthly basis.

The towns where these processes are performed is listed below:

- Albertinia
- Gouritsmond



- Still Bay
- Melkhoutfontein
- Jongensfontein
- Riversdale
- Garcia
- Heidelberg
- Slangrivier
- Witsand

The Water Safety Plan will be revised in the 19/20 financial year.

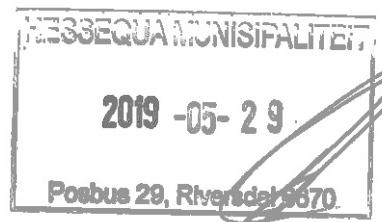
The water and sewage master plans will be revised during 2019.

The responsibility of the municipality is to ensure that:

1. Personnel appointed meet the requirements as stipulated by the Department of Water Affairs (process controllers, supervisors) with regards to the level of education.
2. Adequate funding is provided for maintenance with regards to calibration of bulk meters and purchasing of operational monitoring equipment.
3. Funding is provided for the maintenance and rehabilitation of infrastructure.

A Desalination Plant was completed at Witsand by the end of 2018. The plant uses solar generation and could be operated in hybrid mode because it is also connected to the electrical power grid. Water of excellent quality is provided to the Witsand community from this plant. The result is also an improvement of the water quality because it is mixed with the water supplied from the Overberg Water Board and boreholes.

Local staff was trained in the operation of the plant. Provision is made on the operational budget for the maintenance of the plant.



2.6 OVERVIEW OF BUDGET RELATED - POLICIES/BY-LAWS

Budgets are prepared in accordance with approved policies. A budget-related policy is a municipal policy affecting or affected by the annual budget of the municipality. These policies are necessary for effective financial management and the achievement of priorities and strategic goals of the community. All the mentioned policies are available on the Municipality's website.

The following policies/by-laws were reviewed and work shopped with the public:

1. Property Rates Policy & By-Law

Prescribes uniform rates structures to give effect to its strategic objectives in terms of the IDP and Budget requirements.

2. Credit Control and Debt Collection Policy & By-Law

Sets a revenue collection target and outlines how the municipality will act against defaulters. It also specifies the framework for providing relief from the burden of rates and tariffs to registered or otherwise identified indigents.

3. Indigent Policy

Ensures that the subsidy scheme for Indigent households forms part of the financial management system of the Municipality and to ensure that the same procedures is followed for each individual case.

4. Principles and Policy on Tariffs and Free Basic Services Policy & By-Law

Prescribe uniform tariff structures on the levying of fees for municipal services.

The following policies were reviewed Internally by Departments but no amendments were made.

1. Cash Management and Investment Policy

The policy is aimed at gaining the optimal return on investments, without incurring undue risk, during those periods when cash revenues are not needed for capital or operational purposes.

This policy was reviewed on 3 April 2019 by Council i.e transfer of cash from pay points to the bank.

Insert the following under point 4. Banking of receipts:-

- 4.3 The transfer of cash from all municipal pay points for depositing into the municipal bank account be handled by security firms. The security firm is therefore responsible for all monies from municipal pay points to correct depositing at the bank.

2. Asset Management Policy

Includes depreciation norms and maintenance requirements.

3. Virement Policy

The policy is aimed at virement of Councils budget during the year.



4. Liquidity Policy

The Liquidity Policy sets out the minimum risk management measures that Hessequa Municipality has to implement and adhere to in order to ensure that its current and future liquidity position is managed in a prudent manner.

5. Borrowing Funds & Reserve Policy

The documented Borrowing, Funds and Reserves Policy, sets out the framework for the prudent use of Borrowing, Funds and Reserves available to Hessequa Municipality.

6. Supply Chain Management Policy

Demand, acquisition, disposal and logistics around the procurement of goods and services.

2.7 OVERVIEW OF BUDGET ASSUMPTIONS

2.7.1 Salaries and Allowances

Based on the Bargaining Council agreement, salary increases (excluding new posts and notches) have been calculated into this budget at a percentage increase of 6.5% for the 2019/20 financial year.

2.7.2 Bulk Purchases**Electricity**

Electricity tariffs of Eskom will increase by 15.63% as from 1 July 2019

2.7.3 Interest Rates for borrowing and investment of funds

The interest rates used over the 2019/2020 MTREF period were 10,5%, 11% and 11,5% accordingly.

The expected interest rate for investments were calculated at approximately 7,5 – 8,5 % per annum.

2.7.4 Collection Rate

It is assumed that the collection rate will be between 95% and 98%. The collection rate used over the MTREF period is 98.0%. (Rates and service charges)

2.7.5 Grants

The National and Provincial grants as per Division of Revenue Act (DORA) which has been included in the budget will be received during 2019/20 financial year.

2.7.6 Credit Rating

The credit rating of the Municipality is BBB+. This rating was determined in the financial plan of the municipality conducted by INCA

2.8 OVERVIEW OF BUDGET FUNDING

2.8.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

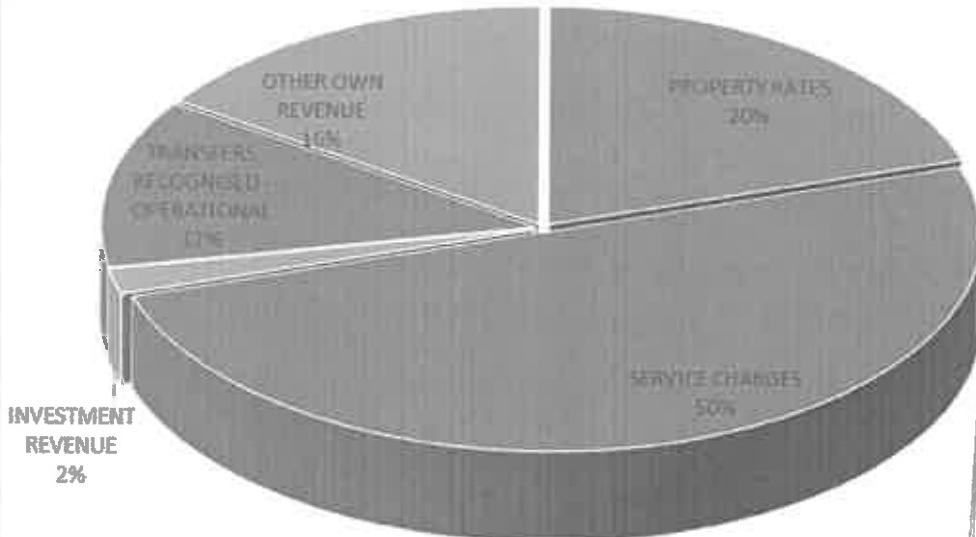
Breakdown of the operating revenue over the medium-term

WC042 Hessequa - Table A1 Budget Summary

Description	2015/16	2016/17	2017/18	Current Year 2018/19				2018/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Financial Performance										
Property rates	85 937	70 988	78 149	84 885	84 885	84 885	84 885	94 657	101 693	109 828
Service charges	173 413	188 958	201 489	213 928	213 928	213 928	233 544	245 124	254 681	266 096
Investment revenue	12 637	18 084	17 969	5 528	5 528	5 528	5 528	8 688	8 723	8 728
Transfers recognised - operational	52 392	62 641	60 346	55 761	62 368	62 368	62 368	59 137	74 894	87 106
Other own revenue	65 228	94 403	66 852	93 210	93 210	93 210	93 210	74 174	78 415	82 914
Total Revenue (excluding capital transfers and contributions)	389 608	435 084	424 794	453 282	459 898	459 898	479 514	481 779	529 607	574 862

The following graph is a breakdown of the operational revenue per main category for the 2019/20 financial year. (As per above table)

Budget year 2019/20



Tariff setting plays a major role in ensuring desired levels of revenue. The Municipality derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from

organs of state, and other minor charges (such as building plan fees, licenses and permits etc.) contribute to the total revenue budget.

The table below provides detailed investment information and investment particulars by maturity.

Table SA15: – Detail Investment Information – (NT supporting tables)

WC042 Hessequa - Supporting Table SA15 Investment particulars by type

Investment type R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		203 508	200 380	216 415	146 705	187 089	187 089	155 098	134 752	102 340
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (linking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	203 508	200 380	216 415	146 705	187 089	187 089	155 098	134 752	102 340
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (linking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		203 508	200 380	216 415	146 705	187 089	187 089	155 098	134 752	102 340

2.8.2 Medium-term Outlook: Capital Revenue

The following table is a breakdown of the funding composition of the 2019/20 Medium-term capital program.

WC042 Hessequa - Supporting Table A6 Budgeted Capital Expenditure by Vote, Standard Classification and Funding Source

Vote Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funded by:											
National Government		31 035	87 633	23 846	15 189	15 539	15 539	15 538	14 953	14 584	15 978
Provincial Government		652	1 248	2 268	335	8 432	8 432	8 432	1 291	530	61
District Municipality				35	-	317	317	317	-	-	-
Other transfers and grants		73	221	1 000	6 737	6 737	5 737	5 737	-	-	-
Transfers recognised - capital	4	31 957	88 864	26 368	16 524	35 026	30 026	30 026	10 243	15 194	16 039
Borrowing	5	47 539	29 460	27 423	70 694	49 020	49 020	49 020	68 362	43 568	37 800
Internally generated funds		6 841	4 723	8 508	13 386	13 432	13 432	13 432	27 603	19 193	14 885
Total Capital Funding	7	89 967	122 135	62 300	108 982	92 477	92 477	92 477	110 400	77 943	80 793

Borrowing is a significant funding source for the capital programme over the 2019/20 MTREF Budget, i.e 60.1%, 55.9% and 55.0% of the total funding of the capital budget for each of the respective financial years of the MTREF.

The following table is a detailed analysis of the Municipality's borrowing liability.

Table SA 17: -Detail of borrowings – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA17 Borrowing

Borrowing - Categorised by type R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
					Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	
Parent municipality											
Annuity and Bullet Loans											
Long-Term Loans (non-annuity)		107 284	111 557	94 134	150 775	124 134	124 134	124 134	168 483	187 818	200 137
Local registered stock											
Instalment Credit											
Financial Leases											
PPP Liabilities											
Finance Granted By Cap Equipment Supplier											
Marketable Bonds											
Non-Marketable Bonds											
Bankers Acceptances											
Financial derivatives											
Other Securities											
Municipality sub-total	1	107 284	111 557	94 134	150 775	124 134	124 134	124 134	168 483	187 818	200 137
Entities											
Annuity and Bullet Loans											
Long-Term Loans (non-annuity)											
Local registered stock											
Instalment Credit											
Financial Leases											
PPP Liabilities											
Finance Granted By Cap Equipment Supplier											
Marketable Bonds											
Non-Marketable Bonds											
Bankers Acceptances											
Financial derivatives											
Other Securities											
Entities sub-total	1	-	-	-	-	-	-	-	-	-	
Total Borrowing	1	107 284	111 557	94 134	150 775	124 134	124 134	124 134	168 483	187 818	200 137

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Table SA 18 - Capital transfers and grant receipts – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2018/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	+1 2019/20	+2 2020/21
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		37 868	46 121	41 000	44 754	44 384	44 384	47 404	50 526	54 726
Local Government Equitable Share		31 528	34 558	37 497	40 885	40 885	40 885	44 083	47 489	51 230
Finance Management		1 460	1 475	1 550	1 550	1 538	1 538	1 650	1 550	1 650
Municipal Systems Improvement		930								
Dms / Mdg Admin Staff Member										
Integrated National Electrification Programme		3 000	3 000	1 000	800	284	264	—	800	1 200
Erwp Incentive		1 000	1 088	1 033	1 028	1 028	1 028	1 108		
Mdg 5% Administration Portion Of Mig					673	673	673	683	709	746
Vat On National Conditional Operating Grants										
Vat On Operating Grants National										
Flood Disaster Relief (National)										
Mdg Operating Grant Expenditure										
Flood Disaster - Project Manager- Admin										
Expanded Public Works Programme Integrated Grant										
Local Government Financial Management Grant (So)										
Municipal Infrastructure Grant										
Provincial Government:		17 300	37 850	28 348	8 958	10 808	16 808	10 590	23 308	31 320
Housing		9 657	28 119	3 587	750	6 655	6 655	1 382	12 460	21 000
Sport And Recreation										
Flood Disaster Prov Road Maint, Cdw, Libraries, Land, Water, Hos, Dms										
Flood Disaster Fund										
Public Transport and Systems										
Dept Of Transport - Main Road Maintenance		95	111	111	110	110	110	103	118	118
Cdw Support Grant										
Library Extended Staff Levels Grant (Conditional Grant)										
Library Personnel Expenditure Grant (Vulnerable Municipalities)										
Thusong Centre										
Financial Management										
Pgwo Risk Management / Internal Audit										
Pgwo Performance Management System										
Vat On Operating Grants Provincial										
Pgwo Tariff Structure Investigation										
Pgwo Capacity Building Grant		300	120	240	360	360	360	360		
Pgwo Greening Develop, Grant Tun Op Da Brak				50						
Greenest Municipality Competition Environmental A		130	130	—						
Financial Management Support (NC_FMGSG)		333	—	330	330	80	80			
Other Capacity Building Grant						234	234			
Thusong Support Grant		100							100	
Pgwo Graduate Internship Grant/Capacity Building		287	80	88						
Drought Support Grant			1 000	7 500						
Fire Service Capacity Building Grant			1 200							
Community Development Workers					19					
Electrical Master Plan										
Capacity Building										
Housing										
Library Services		6 407	7 010	7 064	8 388	9 044	9 044	8 725	10 540	10 202
Public Transport										
Replacement Funding										
Municipal Systems Improvement				600						
Other Capacity Building			200		824		824			
District Municipality:										

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Table SA 18 - Capital transfers and grant receipts – (NT – supporting tables) - continu

WC042 Hessequa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	+1 2020/21	+2 2021/22
R thousand										
Other grant providers:		1 278	148	412	1 058	1 078	1 078	1 143	1 059	1 068
Sata/Disaster Relief/ Trade Union		441	128	372	1 049	1 049	1 048	1 048	1 049	1 048
Business Engineering, Continuous Cultural Projects		10			10	10	10	10	10	10
Other Aids										
Other:Lotto		527								
Heritage Western Cape										
Arbor City Award (Total)		300								24
Africana centre			17							
Mining Companies		—	—	—						
Unspecified		—	—	40		17	17	60		
Total Operating Transfers and Grants	5	56 486	78 216	61 840	56 751	62 368	62 368	69 137	74 894	87 105
Capital Transfers and Grants										
National Government:		56 115	43 023	29 332	16 624	15 539	16 539	14 963	14 664	15 978
Municipal Infrastructure Grant (Mig)		13 332	13 023							
Public Transport And Systems										
Integrated National Electrification Programme				—	2 400	2 737	2 737	1 985	1 200	1 800
Municipal Infrastructure Grant (Mig)				13 813	12 789	12 789	12 789	12 968	13 464	14 178
Flood Disaster		39 325	30 000							
Dept Of Mineral And Energy (Dme)				11 518						
Regional Bulk Infrastructure										
Expanded Public Works Program - Nat Grant										
Dept Water Affairs		3 458								
Municipal Systems Improvement										
Financial Management Grant						14	14			
Other capital transfers/grants [insert desc]										
Municipal Disaster Grant [Schedule 6B]										
Provincial Government:		—	—	—	235	8 432	8 432	1 291	530	81
Disaster and Emergency Services		—	—		7 762	7 762	7 762	830		
Financial Management		—	—		250	250	250			
Housing		—	—							
Human Settlement Development		—	—							
Libraries Archives and Museums		—	—							
Libraries Archives and Museums		—	—							
Library Service		—	—		335	335	335	191	530	81
Municipal Systems Improvement		—	—							
Other		—	—			66	66			
Greenbelt Municipality Compensation		—	—							
Environmental Affairs & Planning		—	—			19	19			
Financial Management Support (WC_FMGS)		—	—					330		
District Municipality:		—	—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	1 000	5 737	5 737	—	—	—
Agency Francaise de Development		—	—	—						
Foreign Government and International Organisations		—	—	—		4 500	4 500			
Mining Companies		—	—	—						
Private Enterprises		—	—	—	1 000	1 000	1 000			
Product		—	—	—		237	237			
Unspecified		—	—	—						
Total Capital Transfers and Grants	5	56 115	43 023	29 332	16 624	20 708	20 708	16 243	15 194	16 038
TOTAL RECEIPTS OF TRANSFERS & GRANTS		112 611	121 239	87 172	72 275	92 078	92 078	75 380	90 089	103 144

2.8.3 Cash Flow Management

Table A7: - Budget cash flow statement (NT – supporting tables)

WC042 Hessequa - Table A7 Budgeted Cash Flows

Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2018/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/20	Budget Year +1 2019/21	Budget Year +2 2021/22
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		65 375	70 187	78 165	83 167	83 167	83 167	83 167	92 784	99 659	107 632
Service charges		165 864	185 482	194 572	209 650	209 650	209 650	209 650	240 222	259 584	280 384
Other revenue		30 365	33 784	33 231	35 187	35 187	35 187	35 187	35 649	37 654	39 775
Government - operating	1	52 444	76 801	80 346	86 781	82 597	82 597	82 597	69 137	74 884	87 105
Government - capital	1	59 637	32 895	24 314	16 524	30 026	30 026	30 026	16 243	28 694	16 039
Interest		13 672	18 518	18 909	7 069	7 069	7 069	7 069	10 387	10 558	10 710
Dividends					-	-	-	-	-	-	-
Payments											
Suppliers and employees		(250 317)	(282 818)	(305 691)	(357 148)	(360 918)	(360 918)	(360 918)	(360 000)	(447 811)	(491 466)
Finance charges		(13 865)	(17 723)	(18 822)	(14 679)	(21 180)	(21 180)	(21 180)	(21 180)	(26 850)	(27 923)
Transfers and Grants	1	(865)	(1 065)	(967)	(1 107)	(1 107)	(1 107)	(1 107)	(1 187)	(1 426)	(1 265)
NET CASH FROM/(USED) OPERATING ACTIVITIES		123 148	116 358	93 576	84 634	44 483	44 483	44 483	32 596	33 146	20 972
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		633	1 301	639	2 500	2 500	2 500	2 500	2 595	2 643	2 684
Decrease (increase) in non-current debtors		24	-	-	2	2	2	2	-	-	-
Decrease (increase) other non-current receivables	1	3	3	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(86 894)	(122 238)	(82 158)	(94 366)	(92 477)	(92 477)	(92 477)	(110 408)	(77 843)	(88 733)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(85 236)	(120 930)	(81 617)	(M 844)	(88 875)	(88 875)	(88 875)	(107 814)	(75 900)	(88 038)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		44	106	111	-	-	-	-	-	-	-
Borrowing long term/refinancing		43 000	-	-	70 694	30 000	30 000	30 000	63 262	43 558	37 800
Increases (decreases) in consumer deposits	572	2 030	1 998	210	210	210	210	210	441	453	466
Payments											
Repayment of borrowing		(11 539)	5 434	(15 738)	(15 738)	(17 421)	(17 421)	(17 421)	(20 513)	(24 121)	(25 581)
NET CASH FROM/(USED) FINANCING ACTIVITIES		32 176	7 369	(13 672)	85 108	12 789	12 789	12 789	43 190	19 886	12 706
NET INCREASE/ (DECREASE) IN CASH HELD		79 008	4 994	8 881	(2 184)	(32 723)	(32 723)	(32 723)	(32 037)	(20 230)	(32 382)
Cash/cash equivalents at the year begin:	2	138 700	208 785	211 779	148 889	219 860	219 868	219 868	187 137	155 089	134 844
Cash/cash equivalents at the year end:	2	208 785	211 779	219 860	147 705	187 137	187 137	187 137	155 089	134 844	122 482

Cash and cash equivalents totals R155,099 million as at the end of the 2019/20 financial year and decrease to the amount of R134,844 million in 2020/21.



2.8.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

Table A8 - Cash backed reserves/accumulated surplus reconciliation – (NT- supporting tables)

WC042 Hessequa - Table A8 Cash backed reserve/accumulated surplus reconciliation

Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2021/22
Cash and Investments available											
Cash/cash equivalents at the year end	1	206 785	211 778	219 880	147 705	187 137	187 137	187 137	156 039	134 844	102 482
Other current investments > 90 days	1	0	(0)	(0)	(1 000)	(48)	(48)	(48)	(0)	(92)	(142)
Non-current assets - investments	1	–	–	–	–	–	–	–	–	–	–
Cash and Investments available:		206 785	211 778	219 880	146 705	187 089	187 089	187 089	186 596	134 782	102 340
Application of cash and Investments											
Unspent conditional transfers		68 967	21 251	12 680	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	10 102	13 197	4 146	30 337	22 975	22 975	25 155	17 174	22 818	28 200
Other provisions	–	–	–	–	–	–	–	–	–	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and Investments:		88 069	34 448	16 027	30 337	22 975	22 975	25 155	17 174	22 818	28 200
Surplus/(shortfall)		120 717	177 332	203 034	116 368	184 114	184 114	181 834	137 928	111 938	74 148

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year.
- There is no unspent borrowing from the previous financial years.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due.

It can be concluded that the Municipality has a surplus in 2019/20 MTREF as there is a gradual decrease over the MTREF period.

2.8.5 Funding compliance measurement

Table SA10: – Funding compliance measurement – (NT – supporting tables)

WC042 Hessequa Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2016/16	2016/17	2017/18	Current Year 2018/19				2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2021/22
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	206 785	211 778	219 880	147 705	187 137	187 137	187 137	155 039	121 344	88 882
Cash + investments at the yr end less applications - R'000	18(1)b	2	120 717	177 332	203 034	116 368	184 114	184 114	181 834	137 928	111 938	74 148
Cash year end minus employee/supplier payments	18(1)b	3	9.1	7.3	7.9	4.5	5.7	5.7	5.7	4.6	3.2	2.1
Surplus/(Deficit) excluding depreciation effects: R'000	18(1)	4	57 888	139 805	82 483	16 036	30 388	30 388	60 004	631	(10 857)	(12 884)
Service charge rev % change - macro CPIK target exclusive	18(1)a,(2)	5	N.A.	2.8%	1.5%	0.9%	(8.0%)	(8.0%)	0.8%	7.7%	1.9%	2.0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	98.0%	85.1%	87.9%	84.2%	84.2%	84.2%	80.2%	88.5%	88.7%	88.5%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	18.0%	18.3%	12.3%	18.8%	18.8%	18.8%	18.7%	12.2%	11.7%	11.4%
Capital payments % of capital expenditure	18(1)c; 19	8	99.9%	88.3%	98.8%	83.8%	100.0%	100.0%	103.7%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)	9	79.1%	0.0%	0.0%	84.1%	48.0%	48.0%	80.7%	87.2%	89.4%	71.7%
Grants % of Govt. legislated/guaranteed allocations	18(1)	10	–	–	–	–	–	–	–	0.0%	0.0%	0.0%
Current consumer debtors % change - Inc/(dec)	18(1)	11	N.A.	24.3%	8.3%	(10.0%)	12.4%	0.0%	0.0%	(8.0%)	1.4%	2.4%
Long term receivables % change - Inc/(dec)	18(1)n	12	N.A.	(17.0%)	(22.1%)	(8.2%)	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(v)	13	2.4%	8.4%	6.9%	9.0%	9.2%	9.2%	10.1%	9.2%	9.7%	9.8%
Asset turnover % of capital budget	20(1)(v)	14	77.5%	81.4%	16.7%	5.0%	5.4%	5.4%	0.0%	10.5%	7.7%	7.9%

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2.9 EXPENDITURE ON GRANTS AND RECONCILIATIONS OF UNSPENT FUNDS

Table SA19: - Expenditure on transfers and grant programmes – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA19 Expenditure on transfers and grant programmes

Description R thousand	Ref	2018/18		2018/17		2017/18		Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21			
EXPENDITURE:													
Decreasing expenditure of Transfers and Grants	1												
National Government:		38 193	36 311	40 193	44 734	44 334	44 334	47 404	50 828	54 726			
Local Government Equitable Share		31 620	34 558	37 467	40 685	40 685	40 685	44 083	47 468	51 230			
Finance Management		1 460	1 475	1 550	1 550	1 550	1 536	1 536	1 550	1 550			
Municipal Systems Improvement		930											
One / Mig Admin Staff Member													
Integrated National Electrification Programme		–	630		600	264	264	–	800	1 200			
PwC Incentive		1 205	1 088	395	1 026	1 026	1 026	1 108					
Mig B16 Administration Postion Of Mig		651	891	673	673	673	673	–	700	746			
Vat On National Conditional Operating Grants													
Vat On Operating Grants National													
Flood Disaster Relief (National)													
Mig Operating Grant Expenditure													
Flood Disaster - Project Manager- Admin													
Expanded Public Works Programme Integrated Grant	79												
Local Government Financial Management Grant (Schedule 5B)													
Municipal Infrastructure Grant													
Provincial Government:		17 697	24 684	19 934	9 982	16 908	16 908	18 890	23 358	31 320			
Housing		9 657	17 113	11 006	750	6 603	6 603	1 382	12 460	21 000			
Sport And Recreation													
Flood Disaster, Prov Road, Manl, Cewr, Libraries, Land, Water, Hos,Dms													
Flood Disaster Fund													
Public Transport and Systems													
Dept Of Transport- Main Road Maintenance		96	111	111	110	110	110	103	118	118			
Cewr Support Grant													
Library Extended Staff Levels Grant (Conditional Grant)													
Library Personnel Expenditure Grant (Vulnerable Municipalities)													
Thusong Centre		5											
Financial Management													
PwC Risk Management / Internal Audit													
PwC Performance Management System													
Vat On Operating Grants Provincial													
PwC Tariff Structure Investigation													
PwC Capacity Building Grant		646	65	91	360	360	360	–					
PwC Greening Develop Grant Tum Tum Op Da Brak			123										
Greenest Municipality Competition Environmental A		195		42									
Financial Management Support (WC_FMGSC)		617	195	317	330	80	80						
Other Capacity Building Grant						234	234						
Thusong Support Grant													
PwC Graduate Internship GrantCapacity Building									100				
Drought Support grant													
Fire Services Capacity Building Grant													
Community Development Workers													
Electrical Master Plan													
Capacity Building													
Housing													
Library Services		5 479	6 365	7 869	8 389	8 644	8 644	8 725	10 640	10 202			
Public Transport													
Replacement Funding													
Municipal Systems Improvement													
One Capacity Building													
District Municipality:													
Housing													
Other grant providers:		1 276	148	412	1 039	1 076	1 076	1 143	1 080	1 080			
Seta/District Relief/ Trade Union		441	128	372	1 049	1 049	1 049	1 049	1 049	1 049			
Business Engineering Continuous Cultural Projects		10			10	10	10	10	10	10			
Other Aids													
Other/Lotto		827											
Heritage Western Cape													
Arbor City Award (Total)		300		17					24				
Athens centre													
Mining Companies													
Unspecified					40		17	17	60				
Total operating expenditure of Transfers and Grants		54 168	62 519	60 470	65 751	62 300	62 300	60 137	74 864	87 108			

Table SA 20: - Reconciliation between of transfers, grant receipts and unspent funds – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20	Budget Year +1 2019/21	Budget Year +2 2021/22
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		37 900	40 121	41 080	44 734	44 384	44 384	47 378	50 528	54 728
Conditions met - transferred to revenue		-	-	2 583	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		17 309	37 950	20 348	9 058	16 908	16 908	10 020	23 308	31 320
Conditions met - transferred to revenue		-	-	21 121	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts		1 278	145	412	1 059	1 076	1 076	1 119	1 059	1 059
Conditions met - transferred to revenue		-	-	184	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue		-	-	23 538	-	-	-	-	-	-
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		56 115	43 023	25 332	15 189	15 539	15 638	14 981	14 884	15 978
Conditions met - transferred to revenue		-	-	23 517	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	335	6 432	8 432	861	14 030	81
Conditions met - transferred to revenue		-	-	1 021	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	317	317	317	317	-	-
Conditions met - transferred to revenue		-	-	-	-	317	317	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	1 000	5 737	5 737	-	-	-
Conditions met - transferred to revenue		-	-	-	1 000	5 737	5 737	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		-	-	26 538	1 000	6 055	6 055	-	-	-
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		-	-	50 376	1 000	6 055	6 055	-	-	-
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-



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2.10 COUNCILLOR AND EMPLOYEE BENEFITS

Table SA22: - Summary of councillor and staff benefits – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA22 Summary councillor and staff benefits

R thousand	Ref	Summary of Employee and Councillor remuneration			Current Year 2018/19			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		1	A	B	C	D	E	F	G	I
Councillors (Political Office Bearing plus Other)										
Basic Salaries and Wages										
Pension and UIF Contributions	179	528	423	485	485	485	443	474	507	
Medical Aid Contributions			216	215	215	215	216	280	300	321
Motor Vehicle Allowance	1 421	1 251								
Cellphone Allowance	364	419	524	823	823	823	731	782	836	
Housing Allowances										
Other benefits and allowances	4 083	4 285	8 041	8 648	8 648	8 548	8 878	7 358	7 673	
Sub Total - Councillors	8 047	8 404	7 282	8 050	8 050	8 050	8 330	8 914	8 538	
% Increase	4		7.1%	11.1%	11.1%	—	3.5%	7.0%	7.0%	
Senior Managers of the Municipality										
Basic Salaries and Wages	4 190	3 849	4 811	5 521	5 591	5 591	6 120	6 548	7 008	
Pension and UIF Contributions	905	574	780	847	841	841	889	951	1 018	
Medical Aid Contributions		164	154	142	142	142	142	156	167	179
Overtime										
Performance Bonus	890	871	702	898	886	886	1 078	1 151	1 232	
Motor Vehicle Allowance	3	381	399	498	488	488	535	573	613	
Cellphone Allowance	3	40	38	36	36	36	50	64	58	
Housing Allowances	3									
Other benefits and allowances	3	63	82	25	30	29	33	35	38	
Payments in lieu of leave				90	—	—	31	33	36	
Long service awards				—	—	—	—	—	—	
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality	8 208	5 847	7 185	7 982	8 013	8 013	8 891	9 513	10 179	
% Increase	4		(6.7%)	22.5%	11.1%	0.6%	—	11.0%	7.0%	7.0%
Other Municipal Staff										
Basic Salaries and Wages	77 782	86 471	87 129	102 481	100 710	100 710	111 642	118 845	127 097	
Pension and UIF Contributions	17 478	14 608	15 895	16 553	18 187	18 187	22 112	23 848	25 303	
Medical Aid Contributions		4 216	4 839	6 368	6 385	6 385	6 984	7 452	7 873	
Overtime	3 361	3 973	6 219	4 878	4 786	4 786	5 487	5 926	6 400	
Performance Bonus			7 056	8 127	7 980	7 980	9 198	9 807	10 490	
Motor Vehicle Allowance	3	4 182	4 183	—	—	—	—	—	—	
Cellphone Allowance	3	335	327	314	339	339	347	371	387	
Housing Allowances	3	1 089	1 142	1 159	1 497	1 497	1 497	1 636	1 844	1 759
Other benefits and allowances	3	5 039	4 784	7 131	7 921	8 032	8 032	8 513	9 141	9 815
Payments in lieu of leave				880	492	482	492	539	576	617
Long service awards			2 239	(0)	1 645	843	843	910	974	1 042
Post-retirement benefit obligations	6			13 873	6 234	7 973	7 973	10 098	11 083	11 897
Sub Total - Other Municipal Staff	110 140	121 844	143 203	158 403	157 183	157 183	177 343	189 476	202 890	
% Increase	4		10.7%	17.5%	18.6%	(0.6%)	—	12.6%	6.8%	6.8%
Total Parent Municipality	122 480	134 275	157 661	174 418	173 248	173 248	184 584	207 803	222 307	
			0.6%	17.4%	18.6%	(0.7%)	—	12.3%	6.8%	6.8%
TOTAL SALARY, ALLOWANCES & BENEFITS	122 480	134 275	157 661	174 418	173 248	173 248	184 584	207 803	222 307	
% Increase	4		8.0%	17.4%	18.6%	(0.7%)	—	12.3%	6.8%	6.8%
TOTAL MANAGERS AND STAFF	5,7	110 414	137 701	160 488	166 365	165 196	165 196	186 234	196 990	212 700

Table SA23: - Salaries, allowances and benefits (political office bearers/councillors/senior managers) – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref No.	Salary	Contribution 8	Allowances	Performance Bonuses	In-kind benefits	Total Package
							2
Rand per annum							
Councillors	3						
Speaker	4		49 434	708 628			758 062
Chief Whip			–	327 797			327 797
Executive Mayor			93 089	840 110			933 199
Deputy Executive Mayor			49 434	708 628			758 062
Executive Committee			176 613	1 958 721			2 135 334
Total for all other councillors			354 882	3 067 075			3 421 967
Total Councillors	8	–	723 462	7 608 959			8 330 421
Senior Managers of the Municipality							
Municipal Manager (MM)	5		1 198 733	208 557	50 505	202 081	1 659 856
Chief Finance Officer			905 931	179 656	187 305	177 182	1 450 074
SM COM			947 245	217 511	101 887	177 179	1 443 822
SM COR			1 024 463	229 489	18 939	177 182	1 450 073
SM D01					–		–
SM D02					6 249		6 249
SM D03			997 301	208 284	67 353	177 182	1 450 120
SM D04			1 045 903	1 782	217 723	165 186	1 430 654
<i>List of each official with packages >= senior manager</i>							
Total Senior Managers of the Municipality	8,10	–	6 119 656	1 045 279	649 961	1 075 952	8 890 848
A Heading for Each Entity							
List each member of board by designation	6,7						
Total for municipal entities	8,10	–	–	–	–	–	–
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	6 119 656	1 768 741	8 256 920	1 075 952	17 221 269



2.11 NEW & VACANT POSTS 2019/2020

HESSEQUA MUNICIPALITY

HESSEQUA MUNICIPALITY

New Posts 2019/20

POSTS PER DIRECTORATE	Grade	REQUEST TO FUND (These are the posts that the Directorates request to be additionally funded for 19/20)
CORPORATE MANAGEMENT		394 030.00
COORDINATOR PROPERTY MANAGEMENT		
K114	T10	394 030.00
FINANCIAL SERVICES		895 817.00
CLERK PROPERTY RATES & TAXES		
F048	T6	242 803.00
CLERK TENDER MANAGEMENT		
F076	T6	278 864.00
PRINCIPAL CLERK BUDGET & FINANCIAL REPORTS		
F051	T10	374 150.00
TECHNICAL SERVICES		1 670 488.00
ACCESS CONTROLLER		
T456	T4	170 130.00
T457	T4	170 130.00
ELECTRICIAN		
T468	T10	566 173.00
FOREMAN SOLID WASTE, FACILITIES & AMENITIES		
T399	T10	406 335.00
GENERAL ASSISTANT		
T265	T5	192 697.00
SMALL PLANT OPERATOR		
T320	T4	165 023.00
Council General		390 000.00
Mayor (Comm. Officer)	Contract	195 000.00
Speaker (PA)	Contract	195 000.00
Grand Total		3 350 335.00



2.12 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

Table SA25 - Budgeted monthly revenue and expenditure – (NT – supporting tables)

WC642 Hessequa - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description R thousand	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework				
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22		
Revenue by Source																		
Property rates	95 561	(337)	(302)	(303)	323	(104)	(104)	(104)	(104)	330	(104)	84 857	101 493	109 825				
Service charges - electricity revenue	17 820	12 415	7 281	12 220	11 482	10 084	12 000	11 481	12 085	12 626	14 223	187 911	171 272	184 590				
Service charges - water revenue	5 261	2 642	2 016	2 934	3 072	3 010	4 446	3 038	3 154	3 111	4 748	40 357	44 266	47 788				
Service charges - sanitation revenue	4 505	1 708	1 754	1 741	1 687	1 659	1 787	1 891	1 888	1 713	1 725	23 332	25 180	27 214				
Service charges - refuse revenue	1 830	1 920	1 820	1 833	1 822	1 801	1 935	1 801	1 859	1 802	1 807	1 838	22 065	24 154	28 007			
Rental of facilities and equipment	231	186	281	225	240	200	257	188	218	202	213	283	2 600	2 871	3 000			
Interest earned - external investments	1 015	1 297	(2 089)	1 344	1 371	879	945	1 369	910	780	800	869	8 686	8 723	8 729			
Interest earned - outstanding debtors	144	181	183	228	167	188	217	230	194	22	14	5	1 480	1 334	1 381			
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	1 238	1 046	738	798	861	873	804	821	1 108	700	825	35 163	45 040	47 742	50 807			
Licences and permits	100	130	111	128	123	228	176	102	168	110	103	143	1 833	1 857	1 788			
Agency services	138	224	108	298	248	81	231	223	200	181	203	(70)	2 208	2 247	2 282			
Transfers and subsidies	18 887	2 678	57	57	1 305	15 058	57	200	10 725	57	57	10 020	58 137	74 894	87 105			
Other revenue	584	1 720	2 108	2 040	3 960	1 333	1 867	858	1 008	968	862	1 638	18 414	19 420	20 484			
Gains on disposal of PPE	-	0	-	88	-	-	110	-	-	-	-	2 309	2 858	2 845	2 894			
Total Revenue (excluding capital transfers and com)	166 813	26 041	13 030	22 079	27 460	37 032	31 064	23 031	32 681	22 851	23 844	74 753	481 779	526 667	574 942			
Expenditure by Type																		
Employee related costs	14 708	14 708	14 708	14 708	25 876	14 708	14 708	14 708	15 784	14 708	14 187	188 234	188 969	212 768				
Remuneration of councillors	694	694	694	694	694	694	694	694	694	694	694	694	8 330	8 914	9 538			
Debt Impairment	3 487	3 487	3 487	3 487	3 487	3 487	3 487	3 487	3 487	3 487	3 487	3 487	41 008	42 739	44 987			
Degradation & asset impairment	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	34 743	36 076	36 110			
Finance charges	-	-	-	-	-	7 050	-	-	-	-	-	-	13 860	21 538	26 050	27 923		
Bulk purchases	9 023	7 772	8 042	7 738	8 088	7 003	14 415	7 304	8 425	8 602	7 757	12 463	108 897	125 663	142 082			
Other materials	2 476	2 482	2 462	2 452	2 462	2 462	2 462	2 462	2 462	2 462	2 462	2 462	28 633	31 948	34 096			
Contracted services	1 802	1 908	2 100	2 049	2 300	3 287	2 058	2 451	2 390	2 350	2 348	8 851	32 604	47 738	55 482			
Transfers and subsidies	110	110	110	110	110	110	110	110	110	110	110	40	1 247	1 460	1 323			
Other expenditure	2 700	2 750	2 701	2 708	2 708	2 703	2 700	2 705	2 705	2 700	2 704	2 747	32 408	34 058	35 877			
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure	37 970	36 704	37 044	36 804	47 334	45 838	44 253	36 787	38 082	39 044	37 134	69 400	407 391	484 680	503 681			
Surplus/(Deficit)																		
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	158 837	(10 753)	(34 338)	(13 120)	(10 874)	(8 007)	(12 616)	(13 787)	(8 371)	(16 483)	(14 885)	15 267	(15 612)	(26 091)	(26 023)			
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprise, Public Corporations, Higher Educational Institutions)	400	1 210	1 535	852	1 108	1 530	778	800	800	1 300	2 950	3 068	16 348	15 104	16 038			
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions	158 837	(8 438)	(22 703)	(12 163)	(10 788)	(7 277)	(11 846)	(12 817)	(6 471)	(15 183)	(12 040)	18 304	631	(10 847)	(12 880)			
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share of surplus/ (deficit) of associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit)	1	100 237	(8 438)	(22 703)	(12 163)	(10 788)	(7 277)	(11 846)	(12 817)	(6 471)	(15 183)	(12 040)	18 304	631	(10 847)	(12 880)		



**Table SA26: - Budgeted monthly revenue and expenditure (municipal vote) – (NT – supporting tables)**

WC042 Hessequa - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description R thousand	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<u>Revenue by Vote</u>																
Vote 01 - Office Of The Mm		18 541	32	66	16	26	14 985	38	38	10 822	67	67	954	46 433	46 779	52 540
Vote 02 - Corporate Services		365	1 411	1 827	1 752	3 331	1 092	1 340	850	716	726	387	10 460	24 016	27 158	27 152
Vote 03 - Financial Services		98 858	3 011	(2 804)	1 222	1 746	972	1 275	1 448	923	712	1 087	419	103 846	113 084	121 309
Vote 04 - Community Services		1 474	1 870	860	1 228	2 283	1 871	1 277	1 337	1 827	1 923	1 225	35 569	61 446	64 364	53 312
Vote 05 - Technical Services		30 094	20 730	14 838	20 133	20 825	19 827	26 168	20 045	19 628	21 185	22 188	27 979	205 133	265 235	301 008
Vote 06 - Spatial Planning & Envirormental Management		183	284	186	258	369	314	340	333	268	164	160	2 469	5 381	5 181	5 381
Vote 07 - Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Road Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		147 213	27 358	19 065	36 811	28 889	38 081	32 430	23 831	33 801	23 881	25 084	77 850	406 823	543 801	300 701
<u>Expenditure by Vote to be supervised</u>																
Vote 01 - Office Of The Mm		2 808	2 808	2 822	2 814	3 111	2 837	2 808	2 824	2 810	3 010	2 828	3 100	34 685	36 873	37 404
Vote 02 - Corporate Services		3 488	3 518	3 840	3 803	5 205	4 241	3 725	3 659	3 628	3 911	3 581	4 331	46 327	60 387	57 359
Vote 03 - Financial Services		2 780	2 779	2 881	2 776	4 318	2 772	2 917	2 802	2 780	2 982	2 800	3 238	36 816	37 438	36 858
Vote 04 - Community Services		5 459	5 486	5 486	5 514	6 034	5 037	5 497	5 644	5 589	5 705	5 546	6 428	86 572	83 030	94 030
Vote 05 - Technical Services		22 336	21 097	21 973	21 080	28 278	25 258	20 852	22 081	22 168	21 248	40 077	287 882	381 780	382 280	
Vote 06 - Spatial Planning & Envirormental Management		1 076	1 088	1 138	1 117	1 582	1 076	1 078	1 107	1 153	1 287	1 135	1 324	14 150	15 223	15 886
Vote 07 - Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Road Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		37 970	38 794	37 838	36 884	47 334	48 030	44 293	38 787	38 082	39 844	37 134	39 488	487 301	534 856	603 883
Surplus/(Deficit) before taxes,		168 237	(9 430)	(22 793)	(12 193)	(10 768)	(7 277)	(11 844)	(12 957)	(4 471)	(15 193)	(71 647)	18 364	631	(10 857)	(12 984)
Taxation																
Attributable to minorities																
Share of surplus/ (deficit) of associates																
Surplus/(Deficit)	1	168 237	(9 430)	(22 793)	(12 193)	(10 768)	(7 277)	(11 844)	(12 957)	(4 471)	(15 193)	(71 647)	18 364	631	(10 857)	(12 984)

**Table SA27: -Budgeted monthly revenue and expenditure (standard classification) – (NT – supporting tables)**

WC042 Hessequa - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description R thousand	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20 +1 2020/21	Budg of Year +2 2021/22	
Revenue - Functional																
Governance and administration		116 418	3 250	(2 834)	1 444	2 068	18 148	1 584	1 070	11 732	1 149	2 117	3 670	187 510	187 000	179 746
Executive and council	18 041	32	55	16	28	14 980	38	30	10 622	87	67	824	46 373	46 779	52 540	
Finance and administration	80 889	3 210	(2 840)	1 420	1 042	1 162	1 618	1 632	1 110	1 091	2 040	2 676	113 145	118 777	127 208	
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety	1 005	3 200	3 700	3 005	5 627	2 700	2 700	1 070	2 275	1 803	2 425	40 000	70 074	82 791	111 711	
Community and social services	90	75	83	80	100	48	74	48	65	57	48	8 708	9 291	11 071	11 013	
Sport and recreation	200	1 359	1 753	1 688	3 288	1 060	1 381	620	681	505	1 160	1 037	15 728	16 081	17 405	
Public safety	1 002	1 464	807	1 222	1 426	1 856	1 270	1 230	1 632	1 028	1 228	35 285	40 071	51 771	54 787	
Housing	(36)	360	(35)	(4)	810	(6)	(6)	(9)	(6)	(6)	(4)	263	1 395	12 410	28 465	
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services	183	410	100	200	1004	314	340	480	340	184	180	2 039	6 004	6 200	8 400	
Planning and development	181	202	100	205	102	108	270	220	250	105	150	2 470	4 717	4 828	8 011	
Road transport	-	125	-	-	225	-	-	150	103	-	-	-	603	118	118	
Environmental protection	2	81	3	4	100	(4)	71	112	7	8	1	-	684	343	380	
Trading services	20 704	20 300	14 800	10 000	20 300	16 100	27 826	10 704	18 200	20 070	20 200	26 700	287 818	370 100	283 743	
Energy source	17 548	12 446	7 280	12 200	12 510	14 100	10 200	12 431	11 600	15 085	12 876	18 748	160 235	173 630	188 395	
Water management	5 230	2 908	2 105	3 010	3 102	3 000	4 835	3 125	3 217	3 487	3 183	4 857	41 940	46 294	48 855	
Waste water management	4 032	3 036	3 201	2 076	2 701	2 084	2 238	2 307	2 212	2 334	2 297	32 890	34 085	36 207		
Waste management	1 048	1 037	1 040	1 052	1 000	1 000	1 056	1 014	1 082	1 000	1 030	23 055	24 330	26 284		
Other	-	-	-	-	-	-	-	-	-	-	-	10	10	10	10	
Total Revenue - Functional	147 213	27 365	16 005	24 811	28 800	30 822	22 430	22 801	23 691	23 801	26 004	77 850	420 023	543 861	580 701	
Expenditure - Functional																
Governance and administration	7 675	7 604	7 670	7 684	10 247	7 981	7 947	7 722	7 749	8 070	7 749	8 075	97 007	105 130	108 003	
Executive and council	2 402	2 402	2 402	2 400	2 003	2 620	2 402	2 400	2 404	2 054	2 405	2 700	30 454	32 485	32 817	
Finance and administration	5 082	6 002	6 250	5 070	7 434	5 346	5 304	5 104	6 135	5 483	6 122	6 181	65 583	65 924	73 601	
Internal audit	121	121	134	121	210	121	121	121	123	123	121	133	184	1 650	1 075	
Community and public safety	8 276	8 261	8 287	8 280	10 841	8 288	8 017	8 464	8 476	8 734	8 410	10 210	106 164	124 267	130 000	
Community and social services	1 462	1 468	1 444	1 405	2 228	1 558	1 458	1 406	1 563	1 634	1 534	2 338	10 000	22 200	22 442	
Sport and recreation	1 765	1 747	1 755	1 761	2 002	2 400	1 901	1 625	1 782	1 900	1 770	2 301	23 267	25 322	27 205	
Public safety	4 007	4 011	4 214	4 226	5 710	4 826	4 815	4 800	4 867	4 823	4 823	5 187	69 333	82 612	85 000	
Housing	255	260	260	260	342	265	265	265	265	265	265	383	3 297	14 623	23 442	
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Economic and environmental services	4 476	4 477	4 030	4 017	6 252	8 000	4 473	4 813	4 406	4 820	4 820	11 910	59 889	62 000	67 262	
Planning and development	771	778	835	818	1 142	771	774	765	763	766	775	1 043	10 173	10 750	11 440	
Road transport	3 322	3 328	3 325	3 325	4 046	4 047	3 328	3 328	3 328	3 328	3 328	4 334	43 800	47 432	48 745	
Environmental protection	377	378	377	377	371	377	377	367	377	446	418	443	4 917	4 626	5 107	
Trading services	17 434	16 100	17 000	16 170	19 720	22 302	22 210	15 820	17 100	17 222	16 300	24 238	233 040	251 040	266 701	
Energy source	11 250	10 054	10 820	9 000	11 648	13 210	10 723	8 022	10 673	10 820	10 000	17 540	142 784	163 242	162 475	
Water management	2 550	2 519	2 600	2 045	3 151	3 221	2 781	2 532	2 800	2 581	2 585	3 833	35 542	37 317	40 341	
Waste water management	1 045	1 048	1 040	1 060	2 250	1 946	1 794	1 738	1 686	1 732	1 681	3 307	23 730	26 848	26 054	
Waste management	1 000	1 078	1 073	1 073	2 052	2 011	2 040	1 978	1 900	1 971	0 483	32 560	34 846	35 320		
Other	122	143	121	121	100	122	123	121	170	121	127	138	1 012	2 310	1 021	
Total Expenditure - Functional	37 070	36 794	37 000	36 804	47 534	45 900	44 203	36 707	38 000	36 044	37 134	50 458	407 301	524 600	503 656	
Surplus/(Deficit) before rates.	100 237	(6 430)	(22 750)	(12 183)	(16 700)	(7 277)	(11 844)	(12 937)	(4 471)	(16 103)	(12 040)	18 364	631	(16 067)	(12 884)	
<i>Share of surplus/ (deficit) of associates</i>													-	-	-	
Surplus/(Deficit)	1	100 237	(6 430)	(22 750)	(12 183)	(16 700)	(7 277)	(11 844)	(12 937)	(4 471)	(16 103)	(12 040)	18 364	631	(16 067)	(12 884)

MESSEQUA MUNICIPALITEIT
2019 -05- 29
Postbus 29, Riversdal 6670

**Table SA28: - Budgeted monthly capital expenditure (municipal vote) – (NT – supporting tables)**

WCD42 Hessequa - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

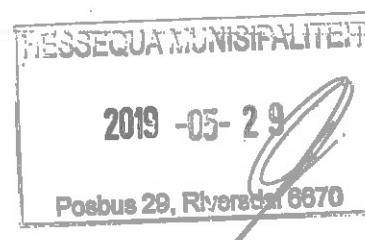
Description R thousand	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sep.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Multi-year expenditure to be appropriated	1															
Vote 01 - Office Of The Mm		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	345	-	60	-	-	-	-	-	-	-	543	50	700
Vote 03 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Community Services		-	-	300	-	-	-	-	-	-	-	-	-	300	-	-
Vote 05 - Technical Services		400	500	1 500	2 350	4 420	1 300	2 245	4 700	5 060	3 800	5 350	4 432	35 847	19 978	15 270
Vote 06 - Spatial Planning & Environmental Management																
Vote 07 - Health																
Vote 08 - Planning And Development																
Vote 09 - Environmental Protection																
Vote 10 - Electricity																
Vote 11 - Water Management																
Vote 12 - Waste Water Management																
Vote 13 - Waste Management																
Vote 14 - Road Transport																
Vote 15 - Other																
Capital multi-year expenditure sub-total	2	400	650	2 145	2 350	4 470	1 000	2 245	4 700	5 060	3 800	5 350	4 432	36 682	20 026	15 978
Multi-year expenditure to be appropriated																
Vote 01 - Office Of The Mm		-	-	12	21	23	-	-	-	-	-	-	-	50	367	383
Vote 02 - Corporate Services		-	841	288	255	846	-	330	-	-	-	-	-	2 558	4 533	1 811
Vote 03 - Financial Services		-	-	38	148	95	-	170	-	-	-	-	-	447	8 112	2 134
Vote 04 - Community Services		-	20	284	30	15	2 423	-	-	25	-	-	410	3 178	1 002	8 896
Vote 05 - Technical Services		1 716	2 378	2 184	4 080	3 510	5 320	6 040	21 105	8 480	5 675	2 428	87 445	43 188	38 531	
Vote 06 - Spatial Planning & Environmental Management														35	35	648
Vote 07 - Health																10
Vote 08 - Planning And Development																
Vote 09 - Environmental Protection																
Vote 10 - Electricity																
Vote 11 - Water Management																
Vote 12 - Waste Water Management																
Vote 13 - Waste Management																
Vote 14 - Road Transport																
Vote 15 - Other																
Capital single-year expenditure sub-total	2	600	2 076	2 067	2 000	5 935	5 933	6 820	8 040	21 210	8 400	5 675	2 472	73 717	57 917	82 704
Total Capital Expenditure	2	1 000	3 236	5 112	4 350	10 408	6 933	8 988	13 740	26 200	12 340	11 025	7 365	110 400	77 943	88 723



**Table SA29: - Budgeted monthly capital expenditure (standard classification) – (NT – supporting tables)**

WC042 Hessequa - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

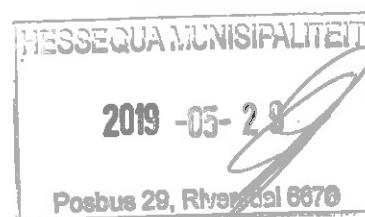
Description R thousand	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year 01/2020/21	Budget Year 02/2021/22	
Capital Expenditure - Functional	1																
Governance and administration		—	—	230	200	1 214	100	520	50	40	300	1 200	1 500	5 412	14 600	5 889	
Executive and council		—	—	—	7	23	—	—	—	—	—	—	—	—	30	357	368
Finance and administration		—	—	230	282	1 102	100	520	50	40	300	1 200	1 500	5 422	13 643	5 821	
Internal audit		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Community and public safety	200	1 211	884	179	477	2 423	330	378	528	400	1 200	2 240	10 633	8 279	14 837		
Community and social services		—	18	365	37	234	—	330	100	400	100	—	—	—	1 581	1 383	767
Sport and recreation	200	1 175	395	108	243	—	200	170	100	300	1 200	1 830	5 821	5 853	4 876		
Public safety		—	20	224	26	—	2 423	—	—	26	—	410	3 131	1 044	1 395		
Housing		—	—	—	—	—	—	—	—	—	—	—	—	—	—	7 500	
Health		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Economic and environmental services		—	—	55	387	1 380	928	1 130	1 000	5 740	2 782	2 150	88	18 372	10 468	18 864	
Planning and development		—	—	12	14	—	—	—	—	—	—	—	—	—	26	81	15
Road transport		—	—	43	383	1 390	—	—	—	—	—	—	—	—	—	—	—
Environmental protection		—	—	—	—	—	—	—	—	—	—	—	—	35	35	575	—
Trading services	800	2 615	3 835	4 988	7 327	3 485	5 885	11 828	10 858	8 980	8 475	3 400	77 952	39 177	25 834		
Energy sources		—	15	427	14	365	415	2 385	4 920	7 775	4 810	2 525	1 940	25 281	12 150	10 688	
Water management		—	200	400	1 060	2 200	1 370	1 985	3 300	2 800	3 107	2 160	782	18 673	8 300	8 400	
Waste water management	800	1 880	3 089	3 017	4 710	1 850	1 650	3 400	3 400	3 100	1 800	768	30 785	15 127	8 916		
Waste management		—	—	8	14	52	50	—	—	—	—	—	—	3 224	600	280	
Other		—	—	—	—	—	—	—	—	—	—	—	—	—	—	10	
Total Capital Expenditure - Functional	2	1 000	3 226	5 112	4 930	18 400	6 933	8 088	13 740	26 200	12 360	11 025	7 306	110 409	77 943	88 733	
Funded by:																	
National Government		400	1 300	1 800	900	1 080	700	445	800	900	1 300	2 550	8 098	14 883	14 884	15 978	
Prov Intel Government		—	18	36	32	40	830	320	—	—	—	—	—	1 291	630	81	
District Municipality		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Other transfers and grants		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Transfers recognised - capital	400	1 210	1 935	932	1 100	1 538	775	869	869	1 369	2 550	3 888	15 363	15 194	10 886		
Borrowing	800	700	1 860	2 530	8 920	3 815	5 065	10 050	14 330	9 765	7 575	3 292	66 362	43 556	37 800		
Internally generated funds		—	1 210	1 777	1 304	2 370	1 768	2 106	2 880	11 030	1 326	800	915	27 803	19 183	14 886	
Total Capital Funding		1 000	3 226	5 112	4 930	10 408	6 933	8 085	13 740	26 200	12 360	11 025	7 306	110 409	77 943	88 733	



**Table SA30: - Budgeted monthly cash flow – (NT – supporting tables)**

WCO42 Hessequa - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS R thousand	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash Receipts By Source													1		
Property rates	89 649	(321)	(200)	(200)	320	(102)	(102)	(102)	(102)	324	(102)	82 784	89 659	107 633	
Service charges - electricity revenue	17 102	12 179	7 105	11 975	12 233	11 646	16 005	11 887	11 232	12 412	12 374	16 573	107 644	101 233	
Service charges - water revenue	6 155	2 822	1 075	2 875	3 011	2 059	4 551	2 075	3 001	3 265	3 048	4 054	49 107	43 371	46 830
Service charges - sanitation revenue	4 415	1 075	1 710	1 769	1 064	1 023	1 722	1 857	1 632	1 679	1 890	1 803	22 669	24 095	26 870
Service charges - refuse revenue	1 092	1 062	1 080	1 084	1 045	1 043	1 080	1 083	1 022	1 062	1 089	1 080	22 407	23 071	26 695
Rental of facilities and equipment	217	217	217	217	217	217	217	217	217	217	217	217	2 669	2 771	3 089
Interest earned - external investments	1 010	1 297	(2 680)	1 344	1 271	879	845	1 300	810	820	820	820	8 388	8 723	8 729
Interest earned - outstanding debtors	144	161	163	238	167	188	217	238	184	184	14	6	1 000	1 034	1 161
Chickens received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1 226	1 048	736	759	651	673	654	623	1 168	709	825	853	10 810	11 458	12 148
Licenses and permits	106	130	111	128	123	228	175	162	108	110	163	143	1 063	1 057	1 769
Agency services	138	224	168	208	248	81	251	228	209	181	263	(70)	2 268	2 247	2 282
Transfer receipts - operational	10 893	1 128	87	67	1 345	15 028	57	368	19 735	57	67	11 813	59 137	74 664	87 105
Other revenue	504	1 729	2 100	2 040	3 360	1 323	1 057	958	1 088	896	982	1 638	10 414	10 420	20 684
Cash Receipts by Source	144 299	24 169	13 394	23 324	37 648	38 876	30 286	22 878	33 391	82 177	82 184	38 831	456 169	482 368	525 000
Other Cash Flows by Source															
Transfer receipts - capital	400	1 316	1 635	932	1 109	1 530	775	800	860	1 300	2 550	3 088	18 340	28 094	16 039
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit institutions, Private Enterprise, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)															
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	6	-	68	-	-	-	-	50	-	-	2 368	3 594	2 848	2 654
Borrowing long term/financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	33 232	41 302	43 558	37 805
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	441	441	403	403
Decrease (increase) other non-current receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	144 699	26 785	14 339	31 242	39 186	38 204	31 171	29 476	30 329	25 477	34 764	38 691	632 785	667 795	681 007
Cash Payments by Type															
Employee related costs	14 709	14 709	14 709	14 709	23 878	14 709	14 709	14 709	14 709	18 784	14 709	14 197	158 224	191 040	212 769
Remuneration of councillors	654	654	654	654	654	654	654	654	654	654	654	654	8 336	8 614	9 630
Finance charge	-	-	-	-	-	-	-	-	-	-	-	-	13 669	21 629	26 650
Bulk purchases - Electricity	9 023	7 772	8 442	7 728	8 656	7 893	14 418	7 304	8 035	8 161	12 493	101 867	128 093	142 062	
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	2 476	2 402	2 482	2 402	2 482	2 482	2 846	2 482	2 482	2 482	2 482	2 482	29 363	31 948	34 460
Contracted services	1 092	1 095	2 118	2 049	2 089	3 267	2 088	2 481	2 359	2 359	2 346	8 531	32 684	47 728	55 482
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	106	106	106	106	106	106	106	106	106	106	106	106	1 197	1 426	1 286
Other expenditure	2 789	2 780	2 761	2 760	2 705	2 703	2 700	2 705	2 700	2 704	2 747	32 466	34 908	35 477	
Total Cash Payments by Type	31 068	39 422	31 492	39 437	40 807	39 473	37 917	30 421	31 695	32 677	30 767	33 415	328 691	476 823	520 848
Other Cash Flows/Payments by Type															
Capital works	1 000	1 226	5 112	4 058	10 408	8 933	8 065	13 740	20 280	12 360	11 025	7 326	110 400	77 943	69 733
Ripayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	16 258	20 513	24 121
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	655	826	631
Total Cash Payments by Type	33 868	39 683	39 682	38 353	31 479	32 941	45 083	44 161	37 948	45 087	41 743	71 638	583 727	677 680	614 000
NET INCREASE/(DECREASE) IN CASH HELD	113 071	(1 107)	(21 774)	(11 181)	(23 210)	(16 406)	(14 919)	(20 082)	(24 728)	(21 091)	(17 000)	57 000	(54 007)	(20 200)	(32 000)
Unadjusted equivalents at the monthly/year begin	187 157	209 207	201 011	208 238	203 076	204 205	201 861	190 808	191 853	194 002	177 614	187 000	184 000	184 000	184 000
Cash/Month equivalents at the monthly/year end	209 207	201 011	209 336	208 078	204 061	210 401	201 601	180 908	159 183	154 002	117 614	188 000	184 000	182 402	182 402



2.13 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

Table SA32: (NT – supporting tables)

WC042 Hessequa - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
					R thousand
Working On Fire	Yrs	3	Fire Brigade Services	08/2018 TO 31/03/20	2 610
Hanque Waste	Yrs	3	Refuse Recycling	09/2017 TO 30/06/20	922
SYNTELL (PTY) LTD	Yrs	4	THE PROVISION OF TRAFFIC LAW ENFORCEMENT	07/2018 TO 30/06/20	2 060
JIRAH CONSTRUCTION CC	Yrs	3	Cleaning of Stormwater pipes	1/09/2016 - 30/06/20	303
KONICA MINOLTA SOUTH AFRICA	Yrs	3	SUPPLY AND INSTALLATION OF PHOTO COPIERS - New expiry date		601
VOX Telecommunications (PTY) Ltd	Yrs	3	Telecommunication system	1/07/2016 - 30/06/20	1 442
IGNITE ADVISORY SERVICES	Yrs	3	PROVISION OF AN ELECTRONIC INFORMATION	12/2017 TO 30/11/20	330
ITRON METERING SOLUTIONS SOUTH AFRICA	Yrs	3	THE IMPLEMENTATION OF PREPAID ELECTRICITY	1/07/2017 - 30/06/20	571
ROUTEMASTER	Yrs		SUPPLY AND DELIVERY OF HARDWARE AND SOFTWARE FOR CONVE		149
DDP VALUERS	Yrs	7	THE COMPILATION OF GENERAL VALUATION REPORTS - new completion date		2 000
BUSINESS CONNEXION (VENUS)	Yrs		FINANCIAL SOFTWARE MAINTENANCE		875
Mubesko Africa (Pty) Ltd / Moore Stephens MO Inc	Yrs	3	PROVISIONING OF ACCOUNTING SERVICES FOR	10/2016 TO 30/06/20	560
Stephaan & Moore	Yrs	3	COMPILE OF ANNUAL FINANCIAL STATEMENT	10/2016 TO 30/06/20	500
CAB HOLDINGS (PTY) LTD	Yrs	3	CAB HOLDINGS (PTY) LTD	07/2018 TO 30/06/20	828
PAYDAY SOFTWARE SYSTEMS (PTY) LTD	Yrs	3	RENDERING OF PERSONNEL PAYDAY SOFTWARE	07/2016 TO 30/06/20	213
INCA	Yrs	1	Financial Plan	30 June 2020	750



2.14 CAPITAL EXPENDITURE DETAILS

The following three tables present details of the municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table SA 34a: - Capital expenditure on new assets by asset class – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA34a Capital expenditure on new assets by asset class |

Description	Ref	2018/19	2016/17	2017/18	Current Year 2019/20		2019/20 Medium Term Revenue & Expenditure Framework					
					Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand												
1	Audited Outcome											
Capital expenditure on new assets by Asset Class/Sub-class												
Infrastructure		8 521	2 734	19 307	29 537	30 861	30 861	22 042	25 280	32 010		
Roads Infrastructure												
Roads					1 614	397	3 400	3 400	3 400	1 250	5 600	13 150
Road Structures					1 614	283	3 250	3 250	3 250	1 100	5 450	13 000
Road Furniture						134	150	150	150	150	150	150
Capital Spares												
Storm water Infrastructure												
Drainage Collection												
Storm water Conveyance												
Attenuation						437	—	—	—	—	—	—
Electrical Infrastructure		2 303	—		7 524	6 755	3 810	3 810	7 035	2 800	2 160	
Power Plants												
HV Substations												
HV Switching Station												
HV Transmission Conductors												
MV Substations		2 303	—									
MV Switching Stations												
MV Networks												
LV Networks												
Capital Spares												
Water Supply Infrastructure												
Dams and Weirs												
Boreholes												
Reservoirs												
Pump Stations												
Water Treatment Works												
Bulk Mains												
Distribution												
Distribution Points												
PRV Stations												
Capital Spares												
Sewerage Infrastructure												
Pump Station		7 217	927	554	6 284	4 059	4 059	2 050	1 350	1 650		
Reticulation											30	—
Waste Water Treatment Works												
Cut-off Sewers												
Toilet Facilities												
Capital Spares												
Solid Waste Infrastructure												
Landfill Sites												
Waste Transfer Stations												
Waste Processing Facilities												
Waste Drop-off Points												
Waste Separation Facilities												
Electricity Generation Facilities												
Capital Spares												
Rail Infrastructure												
Coastal Infrastructure												
Information and Communication Infrastructure												
Data Centres												
Core Layers												
Distribution Layers												
Capital Spares												

Table SA 34a: - Capital expenditure on new assets by asset class – (NT – supporting tables) - CONTINUE

WC042 Hessequa - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Community Assets		—	129	173	1 495	1 458	1 458	926	—	35
Community Facilities		—	84	134	1 375	1 338	1 338	900	—	—
Halls				33	25	40	40	—	—	—
Centres				97	250	250	250	300	—	—
Crèches					—	—	—	—	—	—
Clinics/Care Centres					—	—	—	—	—	—
Fire/Ambulance Stations				5	50	30	30	—	—	—
Cemeteries/Crematoria					—	50	18	18	—	—
Police					—	—	—	—	—	—
Parks			64		—	—	—	—	—	—
Stalls					1 000	1 000	1 000	600	—	—
Abattoirs					—	—	—	—	—	—
Airports					—	—	—	—	—	—
Taxi Ranks/Bus Terminals					—	—	—	—	—	—
Capital Spares					—	—	—	—	—	—
Sport and Recreation Facilities		65	38	120	120	120	120	20	—	35
Indoor Facilities		65	—	—	—	—	—	—	—	—
Outdoor Facilities			38	120	120	120	120	20	—	35
Capital Spares				—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Monuments					—	—	—	—	—	—
Historic Buildings					—	—	—	—	—	—
Works of Art					—	—	—	—	—	—
Conservation Areas					—	—	—	—	—	—
Other Heritage					—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Other assets		106	569	1 233	300	986	986	—	115	—
Operational Buildings		106	569	1 233	300	986	986	—	115	—
Municipal Offices				51	—	—	—	—	115	—
Pay/Enquiry Points					—	—	—	—	—	—
Building Plan Offices		106	140		—	300	600	600	—	—
Workshops					—	—	—	—	—	—
Yards					—	—	—	—	—	—
Stores					—	—	—	—	—	—
Capital Spares			420		—	—	—	—	—	—

Table SA 34a: - Capital expenditure on new assets by asset class – (NT – supporting tables) - CONTINUE

WC042 Hessequa - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
					Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Intangible Assets		—	—	—	—	318	318	170	—	—
Soy Lices		—	—	—	—	—	—	—	—	—
Licences and Rights		—	—	—	—	318	318	170	—	—
Water Rights		—	—	—	—	—	—	—	—	—
Effluent Licenses		—	—	—	—	—	—	—	—	—
Solid Waste Licenses		—	—	—	—	—	—	—	—	—
Computer Software and Applications		—	—	—	—	318	318	170	—	—
Land Settlement Software Applications		—	—	—	—	—	—	—	—	—
Unspecified		—	—	—	—	—	—	—	—	—
Computer Equipment	1 302	810	588	938	935	935	889	383	835	835
Computer Equipment	1 302	810	588	938	935	935	889	383	835	835
Furniture and Office Equipment	716	693	1 281	288	522	522	330	983	208	208
Furniture and Office Equipment	716	693	1 281	288	522	522	330	983	208	208
Machinery and Equipment	3 398	750	1 878	1 955	1 883	1 883	2 339	4 084	2 571	2 571
Machinery and Equipment	3 398	750	1 878	1 955	1 883	1 883	2 339	4 084	2 571	2 571
Transport Assets	4 288	4 883	7 548	9 580	9 580	9 580	14 585	4 580	4 000	4 000
Transport Assets	4 288	4 883	7 548	9 580	9 580	9 580	14 585	4 580	4 000	4 000
Land		—	—	—	—	—	—	—	—	—
Land		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Total Capital Expenditure on new assets	1	19 329	10 509	31 993	44 094	46 350	46 550	41 255	35 404	39 458

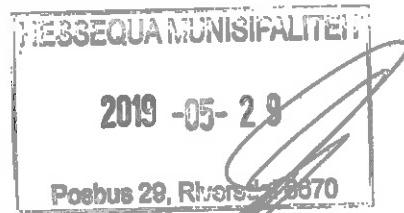


Table SA34b: - Capital expenditure on the renewal of existing assets by asset class – (NT supporting tables)

WC042 Hessequa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description R thousand	Ref 1	2015/16 Audited Outcome	2016/17 Audited Outcome	2017/18 Audited Outcome	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
					Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		64 282	108 427	7 770	800	927	927	5 450	530	1 780
Roads Infrastructure		10 488	86 524	7 770	500	927	927	—	—	—
Roads		10 488	86 524	7 770	500	927	927	—	—	—
Road Structures		—	—	—	—	—	—	—	—	—
Road Furniture		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Drainage Collection		—	—	—	—	—	—	—	—	—
Storm water Conveyance		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		29 951	8 743	—	300	—	—	450	350	1 750
Power Plants		—	—	—	—	—	—	—	—	—
HV Substations		—	—	—	—	—	—	—	—	—
HV Switching Station		—	—	—	—	—	—	—	—	—
HV Transmission Conductors		29 951	8 743	—	—	—	—	—	—	—
MV Substations		—	—	—	—	—	—	—	—	—
MV Switching Stations		—	—	—	—	—	—	—	200	800
MV Networks		—	—	—	—	—	—	—	—	—
LV Networks		—	—	—	—	—	—	450	150	950
Capital Spares		—	—	—	300	—	—	—	—	—
Water Supply Infrastructure		5 080	8 508	—	—	—	—	6 000	—	—
Dams and Weirs		—	—	—	—	—	—	—	—	—
Boreholes		—	—	—	—	—	—	—	—	—
Reservoirs		—	—	—	—	—	—	—	—	—
Pump Stations		—	—	5 508	—	—	—	5 000	—	—
Water Treatment Works		—	—	—	—	—	—	—	—	—
Bulk Mains		—	—	—	—	—	—	—	—	—
Distribution		5 080	—	—	—	—	—	—	—	—
Drinking Water		—	—	—	—	—	—	—	—	—
Wastewater		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sanitation Infrastructure		18 603	8 364	—	—	—	—	—	180	—
Pump Station		—	—	—	—	—	—	—	180	—
Retention		—	—	8 364	—	—	—	—	180	—
Waste Water Treatment Works		18 603	—	—	—	—	—	—	—	—
Outfall Sewers		—	—	—	—	—	—	—	—	—
Toilet Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Solid Waste Infrastructure		163	200	—	—	—	—	—	—	—
Landfill Sites		—	—	—	—	—	—	—	—	—
Waste Transfer Stations		—	—	—	—	—	—	—	—	—
Waste Processing Facilities		163	200	—	—	—	—	—	—	—
Waste Drop-off Points		—	—	—	—	—	—	—	—	—
Waste Separation Facilities		—	—	—	—	—	—	—	—	—
Electricity Generation Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Rail Lines		—	—	—	—	—	—	—	—	—
Rail Structures		—	—	—	—	—	—	—	—	—
Rail Furniture		—	—	—	—	—	—	—	—	—
Drainage Collection		—	—	—	—	—	—	—	—	—
Storm water Conveyance		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
MV Substations		—	—	—	—	—	—	—	—	—
LV Networks		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Sand Pumps		—	—	—	—	—	—	—	—	—
Plans		—	—	—	—	—	—	—	—	—
Revetments		—	—	—	—	—	—	—	—	—
Promenades		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Data Centres		—	—	—	—	—	—	—	—	—
Core Layers		—	—	—	—	—	—	—	—	—
Distribution Layers		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—

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Table SA34b: - Capital expenditure on the renewal of existing assets by asset class – (NT supporting tables)

WC042 Hessequa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2018/18			2019/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Community Assets		2 228	2 861	4 212	4 068	4 000	6 120	6 450	3 680	
Community Facilities		1 721	184	180	180	180	450	300	380	
Halls										
Centres										
Circles										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums					80	80	80			
Galleries										
Theatres										
Libraries										
Cemeteries/Grematoria								200	200	200
Police										
Parks		70								
Public Open Spaces		700	184	100	100	100	250	100	180	
Nature Reserves										
Public Abattoir Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Rank/Bus Terminal										
Capital Spares		852								
Sport and Recreation Facilities		499	2 477	4 032	3 908	3 908	6 670	5 150	3 300	
Indoor Facilities		499	2 179	2 042	1 918	1 918	710	1 020	1 300	
Outdoor Facilities		299	1 990	1 990	1 990	1 990	4 980	4 130	2 000	
Capital Spares										
Heritage assets										
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties										
Revenue Generating										
Improved Property										
Unimproved Property										
Non-revenue Generating										
Improved Property										
Unimproved Property										
Other assets		2 378	1 537	—	—	—	—	—	—	—
Operational Buildings		2 378	1 537	—	—	—	—	—	—	—
Municipal Offices										
Pay/Enquiry Points										
Building Plan Offices		2 378	15							
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing										
Staff Housing										
Social Housing										
Capital Spares										



Table SA34b: - Capital expenditure on the renewal of existing assets by asset class – (NT supporting tables)

WC042 Hessequa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework				
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20	Budget Year +1 2019/21
R thousand	1											
Biological or Cultivated Assets												
Biological or Cultivated Assets												
Intangible Assets												
Services												
Licences and Rights												
Water Rights												
Effluent Licenses												
Solid Waste Licenses												
Computer Software and Applications												
Load Settlement Software Applications												
Unspecified												
Computer Equipment					261							
Computer Equipment					261							
Furniture and Office Equipment					124							
Furniture and Office Equipment					124							
Machinery and Equipment												
Machinery and Equipment												
Transport Assets												
Transport Assets												
Land												
Land												
Zoo's, Marine and Non-Biological Animals												
Zoo's, Marine and Non-biological Animals												
Total Capital Expenditure on renewal of existing	1	68 838	112 580	10 430	5 012	5 015	5 015	11 570	5 980	5 430		
Renewal of Existing Assets as % of total capex		0.0%	91.4%	16.7%	5.0%	5.4%	5.4%	10.5%	7.7%	7.5%		
Renewal of Existing Assets as % of depreciation		268.3%	490.8%	34.7%	13.9%	13.9%	13.9%	33.3%	16.8%	14.2%		



Table SA34e: - Capital Expenditure on the upgrading of existing assets by asset class – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref.	2015/16			2016/17			2017/18			Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Forecast		
		R thousand	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	+1 2019/20	+2 2020/21	+3 2021/22					
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class																
Infrastructure		–	–	–	18 127	47 389	36 798	36 785	54 238	31 581	20 308					
Road Infrastructure		–	–	–	922	7 251	7 889	7 889	11 000	5 681	5 080					
Roads		–	–	–	922	7 251	7 889	7 889	11 000	5 681	5 080					
Road Structures		–	–	–	–	–	–	–	–	–	–					
Road Furniture		–	–	–	–	–	–	–	–	–	–					
Capital Spares		–	–	–	–	–	–	–	–	–	–					
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–					
Drainage Collection		–	–	–	–	–	–	–	–	–	–					
Storm water Conveyance		–	–	–	–	–	–	–	–	–	–					
Attenuation		–	–	–	–	–	–	–	–	–	–					
Electrical Infrastructure		–	–	–	1 080	10 790	1 985	1 985	14 680	8 490	8 800					
Power Plants		–	–	–	–	–	–	–	–	–	–					
HV Substations		–	–	–	1 050	4 280	1 645	1 645	3 340	2 985	1 800					
HV Switching Station		–	–	–	–	–	–	–	–	–	–					
HV Transmission Conductors		–	–	–	–	–	–	–	–	–	–					
MV Substations		–	–	–	–	–	–	–	–	–	–					
MV Switching Stations		–	–	–	–	–	–	–	–	–	–					
MV Networks		–	–	–	–	8 510	320	320	11 210	5 505	4 000					
LV Networks		–	–	–	–	–	–	–	–	–	–					
Capital Spares		–	–	–	–	–	–	–	–	–	–					
Water Supply Infrastructure		–	–	–	1 112	4 410	5 457	5 457	2 970	2 300	3 300					
Dams and Weirs		–	–	–	–	–	–	–	–	–	–					
Boreholes		–	–	–	–	–	–	–	–	–	–					
Reservoirs		–	–	–	–	–	–	–	–	–	–					
Pump Stations		–	–	–	30	1 340	1 340	1 340	–	–	–					
Water Treatment Works		–	–	–	200	210	400	400	–	–	–					
Bulk Mains		–	–	–	–	–	–	–	–	–	–					
Distribution		–	–	–	881	2 660	3 717	3 717	2 970	2 300	3 300					
Distribution Points		–	–	–	–	–	–	–	–	–	–					
PRV Stations		–	–	–	–	–	–	–	–	–	–					
Capital Spares		–	–	–	–	–	–	–	–	–	–					
Sanitation Infrastructure		–	–	–	–	15 044	24 937	21 484	21 484	25 818	16 140	8 148				
Pump Station		–	–	–	–	80	–	–	–	–	–	–				
Retention		–	–	–	–	3 200	5 434	6 632	6 632	2 880	1 798	3 470				
Waste Water Treatment Works		–	–	–	–	11 775	19 503	14 653	14 653	22 988	13 344	2 678				
Outfall Sewers		–	–	–	–	–	–	–	–	–	–					
Toilet Facilities		–	–	–	–	–	–	–	–	–	–					
Capital Spares		–	–	–	–	–	–	–	–	–	–					
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–					
Landfill Sites		–	–	–	–	–	–	–	–	–	–					
Waste Transfer Stations		–	–	–	–	–	–	–	–	–	–					
Waste Processing Facilities		–	–	–	–	–	–	–	–	–	–					
Waste Drop-off Points		–	–	–	–	–	–	–	–	–	–					
Waste Separation Facilities		–	–	–	–	–	–	–	–	–	–					
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–	–					
Capital Spares		–	–	–	–	–	–	–	–	–	–					
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–					
Rail Lines		–	–	–	–	–	–	–	–	–	–					
Rail Structures		–	–	–	–	–	–	–	–	–	–					
Rail Furniture		–	–	–	–	–	–	–	–	–	–					
Drainage Collection		–	–	–	–	–	–	–	–	–	–					
Storm water Conveyance		–	–	–	–	–	–	–	–	–	–					
Attenuation		–	–	–	–	–	–	–	–	–	–					
MV Substations		–	–	–	–	–	–	–	–	–	–					
LV Networks		–	–	–	–	–	–	–	–	–	–					
Capital Spares		–	–	–	–	–	–	–	–	–	–					
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–					
Sand Pumps		–	–	–	–	–	–	–	–	–	–					
Piers		–	–	–	–	–	–	–	–	–	–					
Revetments		–	–	–	–	–	–	–	–	–	–					
Promenades		–	–	–	–	–	–	–	–	–	–					
Capital Spares		–	–	–	–	–	–	–	–	–	–					
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–					
Data Centres		–	–	–	–	–	–	–	–	–	–					
Core Layers		–	–	–	–	–	–	–	–	–	–					
Distribution Layers		–	–	–	–	–	–	–	–	–	–					
Capital Spares		–	–	–	–	–	–	–	–	–	–					

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**Table SA34e: - Capital Expenditure on the upgrading of existing assets by asset class –
(NT – supporting tables) - CONTINUE**

WC042 Hessequa - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2018/19	2018/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	+1 2019/20	+2 2021/22
R thousand	1									
Community Assets		—	—	1 348	3 728	3 719	3 719	3 183	4 684	3 830
Community Facilities		—	—	1 135	1 820	1 819	1 819	956	1 770	1 110
Halls				6	—	—	—	—	30	—
Centres				18	—	—	—	—	250	250
Crèches				44	—	—	—	100	320	100
Clinic/Care Centres				—	—	—	—	—	—	—
Fire/Ambulance Stations				—	—	—	—	—	—	—
Teaching Stations				108	—	—	—	—	—	—
Museums				—	—	—	—	—	—	—
Galleries				—	—	—	—	—	—	—
Theatres				—	—	—	—	—	—	—
Libraries				—	100	267	267	35	270	—
Cemeteries/Crematoria				595	1 239	1 252	1 252	670	670	500
Police				—	—	—	—	—	—	—
Parks				—	—	—	—	—	—	—
Public Open Space				344	300	300	300	250	330	260
Nature Reserves				—	—	—	—	—	—	—
Public Abattoir Facilities				—	—	—	—	—	—	—
Markets				—	—	—	—	—	—	—
Stalls				—	—	—	—	—	—	—
Abattoirs				—	—	—	—	—	—	—
Airports				—	—	—	—	—	—	—
Taxi Rank/Bus Terminals				21	—	—	—	—	—	—
Capital Spares				—	—	—	—	—	—	—
Sport and Recreation Facilities				211	1 908	1 900	1 900	2 198	3 124	2 420
Indoor Facilities				196	63	45	45	145	1 108	420
Outdoor Facilities				16	1 855	1 855	1 855	2 053	2 015	2 000
Capital Spares				—	—	—	—	—	—	—
Heritage Assets		—	—	—	—	—	—	—	—	—
Monuments				—	—	—	—	—	—	—
Historic Buildings				—	—	—	—	—	—	—
Works of Art				—	—	—	—	—	—	—
Conservation Areas				—	—	—	—	—	—	—
Other Heritage				—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Other assets		—	—	237	80	160	160	—	65	—
Operational Buildings		—	—	229	80	160	160	—	65	—
Municipal Offices				207	80	180	160	—	65	—
Pay/Enquiry Points				22	—	—	—	—	—	—
Building Plan Offices				—	—	—	—	—	—	—
Workshops				—	—	—	—	—	—	—
Yards				—	—	—	—	—	—	—
Stores				—	—	—	—	—	—	—
Laboratories				—	—	—	—	—	—	—
Training Centres				—	—	—	—	—	—	—
Manufacturing Plant				—	—	—	—	—	—	—
Docks				—	—	—	—	—	—	—
Capital Spares				—	—	—	—	—	—	—
Housing				8	—	—	—	—	—	—
Staff Housing				8	—	—	—	—	—	—
Social Housing				—	—	—	—	—	—	—
Capital Spares				—	—	—	—	—	—	—

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Table SA34e: - Capital Expenditure on the upgrading of existing assets by asset class – (NT – supporting tables) - CONTINUE

WC042 Hessequa - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2018/19			Current Year 2019/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20	Budget Year +1 2019/21	Budget Year +2 2020/22
R thousand	1									
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Land Settlement Software Applications										
Unspecified										
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment										
Furniture and Office Equipment		-	-	166	290	238	238	93	9	9
Furniture and Office Equipment				166	290	238	238	93	9	9
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment										
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets										
Land		-	-	-	-	-	-	-	-	-
Land										
Zoo's, Marina and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marina and Non-biological Animals										
Total Capital Expenditure on upgrading of existing assets	1	-	-	19 877	51 477	40 812	40 812	57 504	36 589	23 847
Upgrading of Existing Assets as % of total expex		0.0%	0.0%	31.9%	51.2%	44.2%	44.2%	52.2%	46.8%	34.7%
Upgrading of Existing Assets as % of department		0.0%	0.0%	66.2%	143.2%	113.8%	113.8%	165.7%	101.5%	82.6%

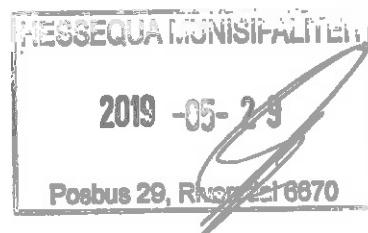


Table SA34c: - Repairs and maintenance expenditure by asset class – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2018/19	2018/17	2017/18	Current Year 2019/20			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Repairs and maintenance expenditure by Asset Class/Sub-class	1									
Infrastructure	4 139	40 273	46 282	67 079	57 080	57 080	63 216	68 448	73 211	
Road Infrastructure		1 641	16 412	16 658	19 976	20 016	20 016	20 280	22 032	24 166
Roads		1 641	16 412	16 658	19 775	19 816	19 816	19 988	22 187	23 724
Road Structures					169	200	200	420	446	472
Road Furniture										
Capital Spares										
Storm water Infrastructure										
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure										
Power Plants		1 891	10 337	10 682	13 302	13 083	13 083	15 633	16 720	17 883
HV Substations					470	810	1 025	836	1 020	1 084
HV Switching Station										
HV Transmission Conductors										
MV Substations					10 337					
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure										
Dams and Weirs										
Boreholes										
Reservoirs		646	8 687	9 464	11 299	11 670	11 670	12 127	12 974	13 881
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Banlison Infrastructure										
Pump Station		58	8 786	9 040	9 786	9 616	9 616	11 150	11 834	12 774
Refridgeration										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure										
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure										
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure										
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure										
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										

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Table SA34c: - Repairs and maintenance expenditure by asset class – (NT – supporting tables) - continue

WC042 Hessequa - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description R thousand	Ref 1	2016/16			2017/18			Current Year 2018/19			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2021/22			
Community Assets	443	—	7 401	8 717	8 061	9 081	16 016	11 981	11 813				
Community Facilities	61	—	1 806	1 849	2 310	2 310	2 517	4 095	3 138				
Halls	50		243	314	324	324	319	439	369				
Centres													
Crochets													
Clinic/Care Centres													
Fire/Ambulance Stations													
Testing Stations			499	841	822	822	1 439	1 540	1 647				
Museums	8	3	18	32	32	32	17	18	19				
Galleries													
Theatres													
Libraries	5	313	215	640	640	640	58	1 368	330				
Cemeteries/Crematoria		537	808	588	588	588	627	671	718				
Police													
Parks			7	26	17	17	28	30	31				
Public Open Space	7	4	27	0	0	0	29	30	32				
Nature Reserves													
Public Abattoir Facilities													
Markets													
Staffs													
Abattoirs													
Airports													
Tax Rank/Bus Terminals													
Capital Spares													
Sport and Recreation Facilities	361	—	5 796	8 607	8 771	8 771	7 400	7 885	6 375				
Indoor Facilities	361	5 141	8 710	8 050	8 050	8 050	8 678	8 987	7 438				
Outdoor Facilities		853	748	721	721	721	821	878	838				
Capital Spares													
Heritage Assets	1	1	1	1	1	1	1	1	1				
Monuments													
Historic Buildings													
Works of Art													
Conservation Areas													
Other Heritage													
Investment Properties													
Revenue Generating													
Improved Property													
Unimproved Property													
Non-revenue Generating													
Improved Property													
Unimproved Property													
Other Assets	5 974	8 379	1 571	2 181	1 808	1 858	2 234	2 372	2 590				
Operational Buildings	5 974	8 379	1 581	2 128	1 845	1 845	2 209	2 356	2 512				
Municipal Offices	1 554		1 200	1 472	1 388	1 388	1 648	1 653	1 767				
Pay/Enquiry Points			38	68	40	40	68	72	78				
Building Plan Offices		8 379											
Workshops	4 420		182	295	218	218	298	316	336				
Yards													
Stores			182	296	201	201	298	316	335				
Laboratories													
Training Centres													
Manufacturing Plant													
Depots													
Capital Spares													
Housing													
Staff Housing			20	21	21	21	15	16	18				
Social Housing			20	21	21	21	15	16	18				
Capital Spares													

Table SA34c: - Repairs and maintenance expenditure by asset class – (NT – supporting tables) - continue

WC042 Hessequa - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description R thousand	Ref 1	2015/16 Audited Outcome	2016/17 Audited Outcome	2017/18 Audited Outcome	Current Year 2018/19			2018/20 Medium Term Revenue & Expenditure Framework		
					Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Biological or Cultivated Assets										
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets										
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment										
Computer Equipment	285	1 476	1 701	1 908	1 902	1 902	2 155	2 289	2 453	2 453
Furniture and Office Equipment										
Furniture and Office Equipment	38	139	158	205	206	206	278	301	328	328
Machinery and Equipment										
Machinery and Equipment	328	1 098	1 035	2 473	2 400	2 400	2 529	2 748	2 929	2 929
Transport Assets										
Transport Assets	4 481	4 170	9 008	4 113	4 131	4 131	3 182	3 581	4 058	4 058
Land										
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	15 886	63 533	69 154	76 704	76 735	78 735	83 578	91 700	97 822
R&M as a % of PPE										
R&M as % Operating Expenditure		2.4%	8.4%	8.9%	9.0%	8.2%	8.2%	10.1%	10.1%	10.3%
		4.6%	16.2%	17.1%	16.2%	16.0%	16.0%	17.6%	18.4%	17.5%

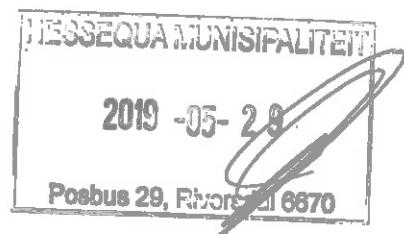


Table SA35 - Future financial implications of the capital budget ~ (NT – supporting tables)**WC042 Hessequa - Supporting Table SA35 Future financial implications of the capital budget**

Vote Description R thousand	Ref	2019/20 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Present value
Capital expenditure	1							
Vote 01 - Office Of The Mm		56	367	383	59	63	67	-
Vote 02 - Corporate Services		3 103	4 583	2 511	2 940	3 116	3 303	-
Vote 03 - Financial Services		447	8 112	2 134	293	311	329	-
Vote 04 - Community Services		3 476	1 092	6 895	3 685	3 906	4 140	-
Vote 05 - Technical Services		103 282	63 143	54 801	62 548	66 301	70 279	-
Vote 06 - Spatial Planning & Environmental Management		35	646	10	67	71	75	-
Vote 07 - Health		-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-
Vote 09 - Environmental Protection		-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-
Vote 11 - Water Management		-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-
Vote 14 - Road Transport		-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-
<i>List entity summary if applicable</i>								
Total Capital Expenditure		110 409	77 843	68 733	66 591	73 787	76 193	-
Future operational costs by vote	2							
Vote 01 - Office Of The Mm								
Vote 02 - Corporate Services								
Vote 03 - Financial Services								
Vote 04 - Community Services								
Vote 05 - Technical Services								
Vote 06 - Spatial Planning & Environmental Management								
Vote 07 - Health								
Vote 08 - Planning And Development								
Vote 09 - Environmental Protection								
Vote 10 - Electricity								
Vote 11 - Water Management								
Vote 12 - Waste Water Management								
Vote 13 - Waste Management								
Vote 14 - Road Transport								
Vote 15 - Other								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates		94 657	101 693	109 828				
Service charges - electricity revenue		157 911	171 272	184 998				
Service charges - water revenue		40 987	44 256	47 786				
Service charges - sanitation revenue		23 332	25 199	27 214				
Service charges - refuse revenue		22 895	24 154	26 087				
Rental of facilities and equipment		2 660	2 871	3 099				
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		351 129	378 189	407 742	-	-	-	-
Net Financial Implications		(240 720)	(300 225)	(339 006)	66 591	73 787	76 193	-

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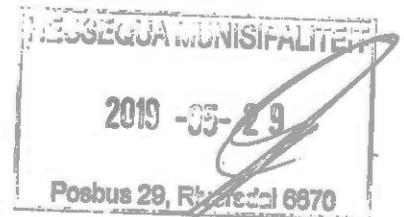


Detailed capital budget per municipal vote

HESSEQUA MUNICIPALITY

CAPITAL BUDGET 2019/20

No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
1.1	Extension of Cemeteries - Heidelberg	4,5,8	H/B	CRR	120 000				
1.2	Extension of cemetery - Still Bay	1,3	S/B	CRR	200 000	500 000	500 000		
1.3	Mark of cemeteries : Graves - Hessequa	HQ	H/Q	CRR	50 000	70 000			
1.4	Fencing of cemeteries - Slangrivier	4	S/R	CRR	0				
1.5	Upgrading of old Cemeteries - Hessequa	HQ	H/Q	CRR	200 000	200 000	200 000		
1.6	Building of toilets & Waterpoints at cemetery - Slangrivier	4	S/R	CRR	200 000				
TOTAL CEMETERIES					770 000	770 000	700 000	0	0
2.1	Burglar Proofing - Dulvenhoks Hall	4,5	H/B	CRR		30 000			
2.2	Building on to Thusong Centre - R/D	HQ	H/Q	Loan	300 000				
TOTAL COMMUNITY HALLS					300 000	30 000	0	0	0
3.1	Stairs - Alberidge & Morestrand	8	R/D	CRR	100 000	100 000	100 000	100 000	100 000
TOTAL OTHER					100 000	100 000	100 000	100 000	100 000
4.1	Fencing of play parks - Hessequa	HQ	H/Q	CRR	70 000	70 000	70 000		
4.2	Development "Tuin op die Brak" - Inventory - S/B	1	S/B	CRR	20 000	25 000	30 000		
4.3	Park Benches - Hessequa	HQ	H/Q	CRR	60 000	60 000	60 000		
4.4	Upgrade of playparks - Hessequa	HQ	H/Q	CRR	250 000	100 000	100 000	250 000	100 000
TOTAL PARKS & GARDENS					460 000	255 000	200 000	200 000	100 000
5.1	Development of Uitwijk Dam - Riversdal	7	R/D	CRR	40 000				
5.3	Upgrading of Fencing - Weeskamp - W/S	4	W/S	CRR		30 000			
5.4	Upgrading of Ablution Facilities - Middelkamp - W/S	4	W/S	CRR	30 000				200 000
5.5	Upgrading of Ablution Facilities - Jongenfontein	3	J/F	CRR		100 000	250 000		100 000

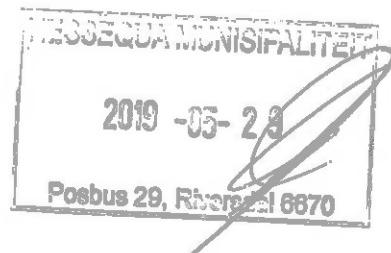




No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
5.6	Repair Streets - Jongensfontein	3	J/F	CRR		200 000			
5.7	Rebuilding of streets & provision of stormwater - Preekstoel	1	S/B	CRR	50 000				
5.8	Upgrading of Ablution Facilities - Preekstoel	1	S/B	CRR	245 000	50 000	50 000		
5.9	Replacement of Camp Fence - Gouritsmond	1	G/M	CRR	50 000				
5.10	Building of braai facilities- Middelkamp W/S	4	W/S	CRR			25 000		
5.11	Blinds for Chalets - Preekstoel S/B	1	S/B	CRR	35 000	5 000	5 000		
5.12	New gate for entrance- Preekstoel S/B	1	S/B	CRR			30 000		
5.14	New gate for entrance- Jongensfontein S/B	3	S/B	CRR	25 000				
5.15	Electronic motor for entrance gates- JFTN - S/B	3	S/B	CRR		9 000			
5.16	Upgrading of Ablution facilities - Ellenerust S/B	1	S/B	CRR	200 000		650 000	450 000	200 000
5.18	Additional Braai facilities at Preekstoel Day Camp	1	S/B	CRR			15 000		
5.19	Replacing window frames with aluminium - JFTN	3	J/F	CRR		100 000	100 000	50 000	
5.20	New thatch roof chalets - Jongensfontein	3	J/F	CRR	100 000	200 000	120 000		
5.24	Sprinkler System - Preekstoel	1	S/B	CRR		150 000	100 000		
5.25	Upgrading of chalets - Ellenerust	1	S/B	CRR		400 000	150 000	200 000	
5.26	Upgrading of chalets - Preekstoel	1	S/B	CRR		250 000			
5.27	New centralised Braai facilities - Ellenerust	1	S/B	CRR		65 000			
5.28	New roofs at parking areas next to chalets - Ellenerust	1	S/B	CRR		100 000	150 000		
5.29	Retaining blocks at Beach ablution - Preekstoel	1	S/B	CRR	70 000				
5.30	Electrification of stands - Preekstoel	1	S/B	CRR		200 000			
5.31	New Playpark - Ellenerust	1	S/B	CRR		35 000			
5.32	New Playpark - Preekstoel	1	S/B	CRR			35 000		
5.34	New curtains - Ellenerust	1	S/B	CRR		40 000	40 000		
5.35	New Curtains - Jongensfontein	3	J/F	CRR		50 000			
5.36	Upgrading of Fire hydrants Camps	HQ	H/Q	CRR	50 000				
5.37	New stairs Beach to Preekstoel	1	S/B	CRR		175 000			
TOTAL RECREATIONAL					585 000	2 150 000	1 720 000	700 000	580 000
6.2	Development of Sportgronds - Slangrivier	4	S/R	MIG	2 000 000	2 000 000	2 000 000	3 000 000	

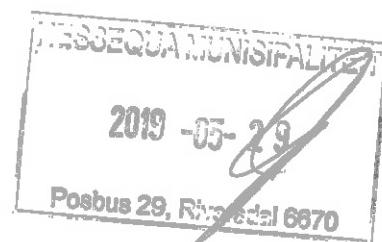


No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
6.3	Development of Sportgronds - Slangrivier - Counter Funding	4	S/R	Loan	1 000 000	1 000 000			
6.4	Upgrading of Sportsfields - Melkhoutfontein	1	S/B	MIG	2 000 000	2 000 000	2 000 000	2 000 000	
6.5	Upgrading of Sportsfields - Melkhoutfontein Counter Funding	1	S/B	Loan	1 000 000	1 000 000			
6.8	Upgrading of Sportsfields fencing - S/B	1.3	S/B	Loan	250 000				
TOTAL: SPORTFIELDS & STADIA					6 250 000	6 000 000	4 000 000	5 000 000	0
7.1	Upgrading swimming pool & floor - Heidelberg	9	H/B	Loan	310 000	100 000			
7.2	Upgrading of swimming pools - De Mist - Riversdal	6	R/D	Loan	400 000				
7.3	Booster pumps - Hessequa	HQ	H/Q	CRR	20 000		35 000	30 000	
7.4	Concrete benches and tables - Takkieskloof	7	R/D	CRR	13 000	15 000			
TOTAL SWIMMING POOLS					743 000	115 000	35 000	30 000	0
8.1	Upgrade Supply cable to SS Albertinia (MP 5.3.8)	2	A/B	CRR	85 000				
8.2	MS Fourie at No. 1 & MS Kloof Street (MP 5.2.3)	4,5	H/B	Loan		975 000			
8.4	Refurbishment of sub-stations - Riversdal	6,7,8	R/D	CRR	150 000	150 000	150 000		
8.5	Refurbishment of sub-stations - Heidelberg	4,5	H/B	CRR	150 000	150 000	150 000		
8.6	Replace cable between Bultekant street and Fourie Street	4,5	H/B	Loan	820 000				
8.8	MV retic MS Krag Stasie & RMU Nickerk Str, Incl RMU Markplein	4,5	H/B	Loan			1 420 000		
8.9	Replace cable between MS Kragstasie & PMT Waterwees	4,5	H/B	Loan		1 140 000			
8.11	Replace OH lin between RMU Uys Street & PMT Rugby Field	4,5	H/B	Loan		560 000			
8.12	MV Retic between MS Joubert Street & Sub 6 (MP 5.2.5)	4	W/S	Loan		570 000			
8.14	MV Retic between MS Protea St & Sub 10 (MP 5.3.2)	4	W/S	Loan	915 000				
8.15	Replace SS Hospital fuse switch with RMU (MP 5.2.1)	7	R/D	CRR	170 000				
8.16	SS Hospital (MP 5.2.2)	7	R/D	CRR	280 000				
8.17	Retic between SS Hospital & Kragstasie (MP 5.2.3)	7	R/D	Loan	950 000				
8.18	Replace Retic between MS Mulder & SS Pauw St (MP5.2.4)	7	R/D	CRR	315 000				
8.19	RMU Bauhuisla St (MP 5.2.5)	7	R/D	CRR			515 000		



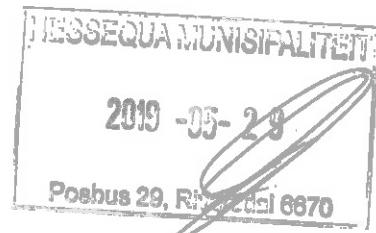


No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
8.20	Retic RMU takkieskloof RMU Bauhinia (MP 5.2.7)	7	R/D	CRR			240 000		
8.21	SS Main Retculation to MS Walarwerke (MP 5.3.5)	7	R/D	Loan	760 000				
8.24	RMU Verefeld (MP 5.3.8)	8	R/D	CRR		140 000			
8.25	Retic RMU Heese Str & PMT Beverley Hills (MP 5.3.9)	8	R/D	CRR		60 000			
8.26	Retic between SS Louwrens & RMU Oster (MP 5.3.11)	7	R/D	CRR			200 000		
8.27	Retic between SS kragtstadie & RMU Oster (MP 5.3.13)	7	R/D	Loan			910 000		
8.28	Upgrading of network - SÜlbad - West/East	1,3	S/B	Loan			800 000		
8.29	Upgrading O-Line Stihwaters - MS Indraf	1,3	S/B	CRR		240 000			
8.30	Upgrading Network - 185mm ² Cable SS Plattebosch to SS3 (MP 5.2.4)	1,3	S/B	Loan		2 225 000			
8.31	Replace MV OH Line In Boabok Ave	1,3	S/B	Loan			800 000		
8.32	MS C Rust to MS SS X (MP 5.3.3)	1,3	S/B	Loan	600 000				
8.33	MS Gordon Slot to MS HH Steyn (MP 5.3.4)	1,3	S/B	Loan		670 000			
8.34	RMU Wegge Street (MP 5.3.11)	1,3	S/B	CRR		430 000			
8.35	Undermilkwood ring (MP 5.3.14)	1,3	S/B	CRR			380 000		
8.36	RMU Prinsloo, RMU Hoofweg Wes 4 (MP 5.3.15)	1,3	S/B	CRR			585 000		
8.37	RMU Japansfontein No. 2 (MP 5.3.17)	1,3	S/B	CRR		375 000			
8.39	Ring between PMT 4 & Erica Cres MHF (MP 5.3.24)	1,3	S/B	CRR		175 000			
8.40	MV cable between Main Sub & MS 6 (MP 5.3.1)	1	G/M	Loan	650 000				
8.41	MS Matoppo (MP 5.2.1)	2	A/B	CRR		470 000			
8.42	Replace MV cable GMT Staats & GMT R&A Koop - FR Request	2	A/B	CRR	140 000				
8.43	MV Overhead Connection at PMT L (5.3.2)	2	A/B	CRR	35 000				
8.44	MS Rowewidp 2 (MP 6.3.9) - JFTN	3	J/F	Loan		720 000			
8.45	Upgrading Strand Street Street Lights - JFTN	3	J/F	CRR	70 000				
8.46	MV kabel graanlaais vervang - R/D	6,7,8	R/D	CRR			130 000		
8.47	MV kabel tussen Gazania street en Lenoria street substaale	6,7,8	R/D	CRR		390 000			
8.48	Rural Lines - Instalation of sectionalisers & load switches	6,7,8	R/D	CRR	100 000				
8.49	Transformators herstel kragtstadie bystand magtjene	6,7,8	R/D	CRR			150 000		





No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
8.50	Replace MV ring switches Lady Smit substation	6,7,8	R/D	CRR			800 000		
8.51	Replace ring switch Protea Street	6,7,8	R/D	CRR		200 000			
8.52	Electricity Network - Low Cost Housing - HQ	HQ	H/Q	INEP	1 985 000	1 200 000	1 800 000		
8.53	Service of Municipal property - Slangrivier	4	S/R	CRR	25 000				
8.54	Service of Municipal property - Heidelberg	4,5	H/B	CRR	50 000				
8.55	Service of Municipal property - Riversdale	6,7,8	R/D	CRR	50 000				
8.56	Service of Municipal property - Albertinia	2	A/B	CRR	25 000				
8.57	Telemetry - HQ	HQ	H/Q	Loan	700 000		1 500 000		
8.59	Service of 11 stands - MHFT	1	S/B	CRR	220 000				
8.60	Streetlights - HQ	HQ	H/Q	CRR	300 000				
8.61	MS Pentzstraat 315KVA new Substation - H/B	4,5	H/B	Loan	500 000				
8.62	MS Van Riebeekstraat 315 KVA new substation - H/B New SF6 gase Auto Recloser at Dispidoof substation - H/B	4,5	H/B	Loan	500 000				
8.63		4,5	H/B	Loan	275 000				
8.64	Upgrading of sub-stations - Riverdal	6,7,8	R/D	Loan	150 000				
8.65	Replace old polecasing at Joe Slovo Park - H/B	4,5	H/B	Loan	300 000				
8.66	Move 11KV over head line at Robbie Du Preez Farm. - H/B	4,5,9	H/B	Loan	250 000				
8.67	Move H/V & L/V line underground - Van Riebeekstreet - H/B	4,5	H/B	Loan	300 000				
8.68	Replace 24 kloks in Wes Camp - W/S	4	W/S	CRR	150 000				
8.69	Upgrade MV line from Middelkamp to Hoedweg - W/S	4	W/S	Loan	1 500 000				
8.70	MV Retic between MS Tomlinson & OH Line Elke Road	4,5	H/B	Loan	420 000				
8.71	RMU Ixia Street (MP 5.3.1)	7	R/D	Loan	320 000				
8.72	Retic from RMU Ixia to RMU Bauhina (MP 5.3.2)	7	R/D	Loan	1 075 000				
8.73	Retic SS Pauw St - RMU Tafdeskloof (MP 5.3.3)	7	R/D	Loan	250 000				
8.74	MS Le Roux RMU (MP 5.3.16)	7	R/D	Loan	215 000				
8.75	SS-2 - RMU 2-3 - Uitag Street - re-configure cable connections (MP 5.2.1)	1,3	S/B	CRR	55 000				
8.76	MS Nautilus (MP 5.2.5)	1,3	S/B	Loan	700 000				





No	Project description	Ward	Rnf	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
8.77	MS Van Wyk Str (MP 5.2.7)	1,3	S/B	Loan	420 000				
8.78	Upgrade sections OH Line to SS1 (MP 5.3.7)	1,3	S/B	CRR	40 000				
8.79	cable between OH Line & MS Uys Str (MP 5.3.12)	1,3	S/B	CRR	70 000				
8.80	RMU Paling Street (MP 5.3.13)	1,3	S/B	Loan	420 000				
8.81	Ring between PMT 7 & Rodptille Road MHF (MP 5.3.22)	1,3	S/B	CRR	95 000				
8.82	Cable between Main Intake Sub & RMU 5-1 Hoofweg Wes	1,3	S/B	Loan	2 600 000				
8.83	MV Cable between Main Sub & MS Kueweg (MP 5.2.3)	1	G/M	Loan	825 000				
8.84	Ring Main Unit RMU GMT R&A Koop (MP 5.3.1)	2	A/B	Loan	550 000				
8.85	INSTALLATION OF NEW TRANSFORMER - ELEC - S/B	1,3	S/B	Loan	500 000				
TOTAL ELECTRICITY					22 685 000	11 640 000	9 710 000	0	0
9.4	Rural Refuse Containers / Depots - H/Q	9	H/Q	CRR	100 000	100 000			
TOTAL SOLID WASTE					100 000	100 000	0	0	0
10.1	Westly road bypas (Development) - S/B	1,3	S/B	Loan		5 000 000	13 000 000		
10.3	Reseal & tar Van Wyk Street Cul de Sac - S/B	1,3	S/B	CRR		60 000	60 000		
10.4	Paving of Gravel Roads Patrick Witbooi - R/D	8	R/D	CRR		301 000			
10.6	Oeler street (Gruis street) - S/B	1	S/B	CRR		300 000			
10.7	Paving road 11 new even - Melkhoutfontein	1	S/B	Loan	650 000				
10.8	Upgrading of Roads - H/Q	HQ	H/Q	Loan		5 000 000	5 000 000		
10.9	Speedbumps - H/Q	HQ	H/Q	CRR	200 000	300 000			
10.10	Calming Traffic - H/Q	HQ	H/Q	CRR		150 000		250 000	250 000
10.11	Bus Shelters - H/Q	HQ	H/Q	CRR	250 000				
10.12	Upgrading of Roads & Stormwater - G/M	1	G/M	Loan	460 000				
10.13	Upgrading of Roads & Stormwater - MHFT - S/B	2	S/B	Loan	450 000				
10.14	Upgrading of Roads & Stormwater - S/B East	1	S/B	Loan	260 000				
10.15	Upgrading of Roads & Stormwater - A/B	2	A/B	Loan	1 650 000				
10.16	Upgrading of Roads & Stormwater - Jengansfontein - S/B	3	S/B	Loan	580 000				
10.17	Upgrading of Roads & Stormwater - S/B West	3	S/B	Loan	1 750 000				



No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
10.18	Upgrading of Roads & Stormwater - H/B - Joe Slovo	4	H/B	Loan	140 000				
10.19	Upgrading of Roads & Stormwater - S/R	4	S/R	Loan	1 000 000				
10.20	Upgrading of Roads & Stormwater - W/S	4	W/S	Loan	525 000				
10.21	Upgrading of Roads & Stormwater - H/B	5	H/B	Loan	525 000				
10.22	Upgrading of Roads & Stormwater - Wyk 6 - R/D	6	R/D	Loan	850 000				
10.23	Upgrading of Roads & Stormwater - Wyk 7 - R/D	7	R/D	Loan	1 380 000				
10.24	Upgrading of Roads & Stormwater - Wyk 8 - R/D	8	R/D	Loan	500 000				
10.25	Upgrading of Roads & Stormwater - Wyk 9 - H/B	9	H/B	Loan	1 000 000				
TOTAL ROAD TRANSPORT					12 160 000	11 111 000	10 060 000	250 000	250 000
11.1	Upgrading of existing Sewerage Infrastructure (GLS) - Albertinia	2	A/B	Loan	1 550 000	750 000	750 000		
11.2	Bulk Sewer Upgrade phase 1 (GLS) - Stilbaai	1,3	S/B	Loan			1 000 000	1 485 000	
11.3	Replacement of Pumpstation Equipment - H/B	4,5	H/B	CRR		80 000	-	-	-
11.4	Replacement of Pumpstation Equipment - S/R	4	S/R	CRR		100 000	-	-	-
11.5	Flow meter - Sewerage - Hessequa	HQ	HQ	CRR	200 000	-	300 000		
11.6	Upgrading of Sewerage works - Phase 2 - R/D	6,7,8	R/D	MIG	8 987 500	9 464 350	2 677 800	4 801 000	
11.7	Upgrading of Sewerage works - Phase 2 - R/D - Counter Funding	6,7,8	R/D	Loan		3 880 134			
11.9	Upgrading of sewerage system - H/B	9	H/B	Loan	500 000	1 000 000			
11.10	Upgrade Existing Gravity - S/B	1,3	S/B	Loan	800 000	1 045 800	1 719 700		
11.11	New Gravity Distribution - GLS Development - S/B	1,3	S/B	Loan		320 000	1 350 000		
11.12	Standby pump for irrigation system sewer dams - Jft.	3	J/F	CRR		30 000			
11.13	Upgrade Sewerage Works - S/B	1,3	S/B	Loan	14 000 000				
11.14	Service of Municipal property - Slangrivier	4	S/R	CRR	25 000				
11.15	Service of Municipal property - Heidelberg	4,5	H/B	CRR	50 000				
11.16	Service of Municipal property - Riversdale	6,7,8	R/D	CRR	50 000				
11.17	Service of Municipal property - Albertinia	2	A/B	CRR	25 000				
11.18	Laboratory Equipment - H/Q	HQ	H/Q	CRR		100 000		100 000	





No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
11.19	Upgrading of Sewer Infrastructure (Unserved Erven) - G/M	1	G/M	Loan	1 500 000			2 000 000	2 200 000
11.20	New Sewerage line 11 erven - Melkhoutfontein	1	S/B	CRR	200 000				
	TOTAL SANITATION				27 887 500	18 770 284	7 737 500	8 386 000	2 200 000
12.1	Water meters - Hessequa	HQ	H/Q	Loan	250 000	500 000	500 000	500 000	500 000
12.2	Replacement of Water Infrastructure - GLS Report - H/B	9	H/B	Loan	1 200 000	500 000	500 000	5 000 000	2 500 000
12.3	Upgrading of Main Water Supply (GLS REPORT) - Witbank	4	W/S	Loan		500 000	1 000 000		
12.5	New Reservoir Platbos - phase 1 - (GLS) - S/B	1,3	S/B	Loan		2 000 000			
12.7	Water Network Reinforcement GLS - Riversdale	6,7,8	R/D	Loan	500 000	1 000 000	1 500 000	1 500 000	
12.8	Water Specials - H/Q	HQ	H/Q	CRR	100 000	100 000	100 000		
12.9	Telemetric system - Hessequa	HQ	H/Q	Loan	1 600 000	1 000 000			
12.11	Provision of Flow Meters - Hessequa	HQ	H/Q	CRR	200 000		300 000		
12.12	Upgrading of Irrigation Channel (lewwatersloot) - H/B	4,5	H/B	CRR		200 000	200 000		
12.13	Upgrading of Sandfilters - R/D	6,7,8	R/D	CRR	200 000				
12.16	New Water Networks Distribution - GLS - S/B	1,3	S/B	Loan	4 632 408	2 500 000	2 500 000	2 500 000	2 500 000
12.18	Service of Municipal property - Slangrivier	4	S/R	CRR	25 000				
12.20	Service of Municipal property - Heidelberg	4,5	H/B	CRR	50 000				
12.21	Service of Municipal property - Riversdale	6,7,8	R/D	CRR	50 000				
12.22	Service of Municipal property - Albertinia	2	A/B	CRR	25 000				
12.23	Water Security Measures - H/Q	HQ	H/Q	Loan	750 000		2 000 000	5 000 000	
12.24	Reservoir Roof - S/R	4	S/R	CRR	300 000				
12.25	Laboratory Equipment - Water	HQ	H/Q	CRR			200 000	100 000	
12.27	New water infrastructure for 11 new erven at Melkhoutfontein	1	S/B	CRR	200 000				
12.28	Emergency generator / Storage Capacity - Hessequa	HQ	H/Q	CRR	1 870 000				
12.29	Main Water Supply - A/B	2	A/B	CRR	970 412				
12.30	Low Level Reservoir Rehabilitation - R/D	6,7,8	R/D	CRR	5 000 000				
12.31	Sand Filters - G/M	1	G/M	Loan	750 000				

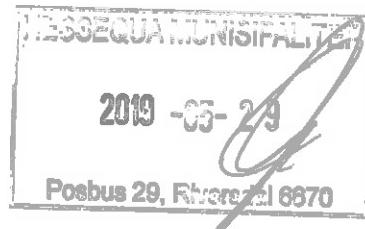




No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
	TOTAL WATER				18 672 818	8 360 000	8 060 000	14 890 000	5 860 000
13.1	Burglar Bars - Civic Centre - groundfloor - Civic Centre - R/D	HO	H/Q	CRR		55 000			
13.5	Upgrade UPS Server Room - ICT - R/D	HO	R/D	CRR		65 000			
13.8	Fencing - Library - Albertinia	2	A/B	Library	35 000				
13.9	Paving - Library - Gourmond	1	G/M	Library		270 000			
13.10	Fencing of new extension behind Diepkloof - H/B	4	H/B	CRR		250 000	250 000		
13.11	Fencing of Locomotive - Riverdal	6,7,8	R/D	CRR		75 000			
	TOTAL CIVIC LAND & BUILDINGS				35 000	715 000	250 000	0	0
14.1	1 X Computer Screen 23" - Assets/Budget - Finance	HO	R/D	CRR		2 800			
14.2	1 X Scanner - Assets - Finance	HO	H/Q	CRR	30 000	35 000			
14.3	1 x Laptop -SCM - Finance	HO	H/Q	CRR	14 000				15 000
14.4	2 X Desktop computers - online vending - Income - Finance	HO	H/Q	CRR	20 000		23 000		24 000
14.5	2 X LX300 printers - Income - Finance	HO	H/Q	CRR	6 000	6 000	6 500	6 500	6 500
14.6	2 X Laptop - Income - Finance (Interns)	HO	H/Q	CRR		28 000			
14.7	1 X Desktop Computer - Income - Finance	HO	H/Q	CRR		10 000		12 000	
14.8	1 X Routemaster Handheld - Income - Finance	HO	H/Q	CRR	32 000		36 000		36 000
14.9	1 X Routemaster Cradle - Income - Finance	HO	H/Q	CRR		17 000			
14.10	1 X Token Reader - Income - Finance	HO	H/Q	CRR	10 000		12 000		12 000
14.11	1 X Receipt Printer - Income - Finance	HO	H/Q	CRR	10 000		16 000		16 000
14.12	4 x Thermal Token Printers - Income - Finance	HQ	H/Q	CRR	20 000			22 000	
14.13	1 X Scanner - Expenditure - Finance	HO	H/Q	CRR		3 500			
14.14	1 X Desktop Computers - Expenditure - Finance	HO	H/Q	CRR		10 000	10 000	10 000	
14.15	Main Frame Computer System - Finance	HQ	H/Q	Loan		8 000 000	2 000 000		
14.16	1 X Laptop Witsand - Finance	HO	H/Q	CRR			15 000		
14.17	1 X Laptop Gourits - Finance	HO	H/Q	CRR			15 000		
14.18	1 X Laptop - MMO	HO	H/Q	CRR			18 000		
14.19	17 X Laptops - MMO - Counselors	HO	H/Q	CRR			350 000		



No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
14.20	3 X Laptops - IDP	HO	H/Q	CRR			15 000		
14.21	2 X "Pool" Projectors - IDP	HO	H/Q	CRR		10 000			
14.22	2 X "Pop-up" Projector Screens - IDP	HO	H/Q	CRR	4 500				
14.23	1 x Laptop - Manager Parks	HQ	H/Q	CRR	14 000				
14.24	1 X Laptops - Electricity - H/B	HO	H/Q	CRR	14 000				
14.25	1 x Desktop computer Public Works, Witsand	HO	W/S	CRR			10 000		
14.26	1 x Desktop computer Public Works Slangrivier	HO	S/R	CRR			10 000		
14.27	1 x Laptop - Foremen, Public Works - Stilbaai	HO	S/B	CRR		14 000			
14.28	1 x Laptop (New Posts Technical Services) - R/D	HO	H/Q	CRR		14 000			30 000
14.29	10 X Tablets Technical Services - H/Q	HO	H/Q	CRR	15 000	10 000			
14.30	Storage Area Network - ICT DR Site	HO	H/Q	CRR			250 000		
14.31	4 x Managed switches -ICT - Store Item	HO	H/Q	CRR	125 000				300 000
14.32	LCD Screens - ICT - Store Items	HO	H/Q	CRR	42 000	22 400			15 000
14.34	3 x Laptops - Corporate - ICT	HO	H/Q	CRR	52 000				18 500
14.36	1 X UPS solution Serv. Room - ICT	HO	H/Q	CRR		90 000			60 000
14.37	1 X Raised Floors Serv.Room - ICT	HO	H/Q	CRR		60 000			
14.38	1 X Firewall Solution - ICT	HO	H/Q	CRR		200 000			
14.39	1 X DR Backup Server - ICT	HO	H/Q	CRR		320 000			
14.40	1 X Hyper Converge Server - ICT	HO	H/Q	Loan	780 000	800 000			780 000
14.41	1 x Laptop - Corporate -HR Recruitment	HO	H/Q	CRR			17 300		
14.42	1 X Laptop Manager - HR	HO	H/Q	CRR		18 000			
14.43	2 X Laptop - HR	HO	H/Q	CRR		28 000			15 000
14.44	2 x Laptops - Admin Committee Clerks - Corporate	HO	H/Q	CRR		32 000			
14.45	1 X Laptop Ellensrust - Corporate	HO	H/Q	CRR			15 000		
14.46	1 X Laptop Preekstoel - Corporate	HO	H/Q	CRR			15 000		
14.47	1 X Laptop - Library - Gouritsmond	1	G/M	Library	14 000				
14.48	1 X Printer - Library - Gouritsmond	1	G/M	Library	3 500				
14.49	1 X Laptop - Library - Albertinia	2	A/B	Library	14 000				



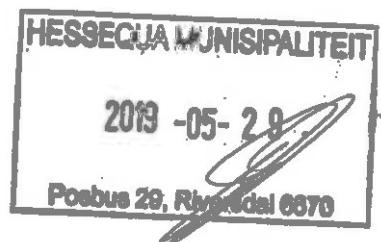


No	Project description	Ward	Rpt	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
14.50	1 X Printer - Library - Albertinia	2	A/B	Library	3 500				
14.51	1 x Desk Computer - Library - Melkhoutfontein	1	S/B	Library			12 000		
14.52	1 x Printer - Library - Melkhoutfontein	1	S/B	Library			3 500		
14.53	1 x Desk Computer - Library - Slangrivier	4	S/R	Library			12 000		
14.54	1 x Printer - Library - Slangrivier	4	S/R	Library			3 500		
14.59	1 X Computer Monitor - Town Planning	HO	H/Q	CRR		2 800			
14.60	2 X Laptop - Town Planning	HO	H/Q	CRR		28 000			
14.61	1 x Desktop Computer - Tourism	HO	H/Q	CRR			10 000		
14.62	2 X Laptop - LED	HO	H/Q	CRR		40 000		20 000	
14.63	1 x Laptop - Community Service/Traffic	HO	H/Q	CRR		14 000		14 000	
14.64	8 x Desktop Computers - Traffic	HO	H/Q	CRR	30 000	30 000	10 000		
14.65	1 x 50' LCD Screen - Control Room - Fire	HO	H/Q	CRR	20 000				
14.66	1 X Colour Laser Printer - MPCC	HO	H/Q	CRR		7 600			
14.70	1 X Laptop - System Developer - IT	HO	H/Q	CRR	14 000				
14.73	1 X Laptop - Labour Relations - HR	HO	H/Q	CRR	14 000				
14.74	1 X Laptop - Property Management - Corporate	HO	H/Q	CRR	14 000				
14.75	2 X Laptop - Interns - Finance	HO	H/Q	FMG	0				
14.76	1 X Laptop - Clerk Rates & Taxes - Finance	HO	H/Q	CRR	14 000				
14.77	1 X Laptop - Principle Clerk - Budgets - Finance	HO	H/Q	CRR	18 000				
14.78	1 X Laptop - Clerk Tender Management - SCM	HO	H/Q	CRR	14 000				
14.80	1 X Laptop - Administrator - IDP	HO	H/Q	CRR	14 000				
14.85	1 X Laptop - Foreman Solid Waste	HO	H/Q	CRR	14 000				
14.86	2 X Desktop computers & Monitors - Income - Finance	HO	H/Q	CRR	20 000				
14.87	1 X Laptop - Income - Finance	HO	H/Q	CRR	18 000				
14.88	Budget Tool - Budget - Finance	HO	H/Q	FMG	338 000				
14.89	Budget Tool - Budget - Finance	HO	H/Q	CRR	170 000				
TOTAL IT					1 923 500	9 869 000	2 584 000	973 000	441 000
15.1	1 x Stove - Sportfields - Riverville	6	R/D	CRR	12 000		18 000		





No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
15.2	20 X Steeltables - Sportsgounds Hall - Heidelberg	4,5	H/B	CRR		15 000			
15.3	70 X Plastic Chairs - Sportsgounds hall - Heidelberg	4,5	H/B	CRR		9 100			
15.4	10 x Steel Tables - Theroneville Hall	2	A/B	CRR		5 000			
15.5	3 X Fridges - Halls - Hessequa	HQ	HQ	CRR	5 000		6 000		
15.6	Bed and Base sets - Chalets Jongensfontein	3	J/F	CRR		62 985			
15.7	Bed and Base sets - Chalets Takkieskloof	7	R/D	CRR		5 400			
15.8	Stoves- Takkieskloof	7	R/D	CRR		10 000			
15.9	Fridges - Takkieskloof	7	R/D	CRR		5 000			
15.10	Microwaves - Takkieskloof	7	R/D	CRR		2 335	2 520		
15.11	Long Table (Speaker)	HO	H/Q	CRR		3 000			
15.12	2 x Desk with drawer (Raadslede)	HO	H/Q	CRR		34 000			
15.13	4 x visitors chairs (Raadslede)	HO	H/Q	CRR		5 300			
15.14	1 x Filing Cabinet (Mayor)	HO	H/Q	CRR		6 400			
15.15	Occupational Safety Equipment - HR-HQ	HO	H/Q	CRR	17 000	20 000	23 000	25 000	26 000
15.16	2 X High Back chairs - IDP	HO	H/Q	CRR	7 500				
15.17	5 x High Back Chairs - ICT	HO	H/Q	CRR		15 000			
15.18	2 X Desk - ICT	HO	H/Q	CRR	4 500				
15.19	2 X Lockers - ICT	HO	H/Q	CRR		6 000			
15.20	2 X Office Chairs - ICT	HO	H/Q	CRR	6 500				
15.21	4 X Visitors Chairs - ICT	HO	H/Q	CRR	4 500	4 500			
15.22	Klaankstelal vir Raadsaal - Admin	HO	H/Q	CRR		300 000			
15.23	1 x Bookcase - Media (Admin)	HO	H/Q	CRR		3 500			
15.24	1 x Filing Cabinets - Admin (Media)	HO	H/Q	CRR		6 400			
15.25	2 x Office Chairs - Admin (Media)	HO	H/Q	CRR			7 000		
15.26	6 x Communication / Marketing Banners - Admin (Media)	HO	H/Q	CRR			10 000		
15.27	Fridges - Jongensfontein	3	J/F	CRR	10 000		20 000		
15.28	Stoves - Jongensfontein	3	J/F	CRR	9 000	10 285			
15.29	Microwaves - Jongensfontein	3	J/F	CRR			5 000		



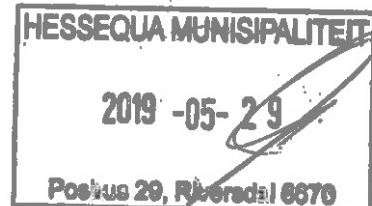


No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
15.35	Fridges - Ellensrust	1,3	S/B	CRR				12 000	
15.36	Stoves - Ellensrust	1,3	S/B	CRR				16 000	
15.37	Microwave - Ellensrust	1,3	S/B	CRR				6 500	
15.38	Matresses, Beds & matress covers - Ellensrust	1,3	S/B	CRR	15 000			20 000	
15.39	Tables & Chairs - Ellensrust	1,3	S/B	CRR			15 000		
15.40	Fridges - Preekstoel	1,3	S/B	CRR			20 000	8 000	
15.41	Stoves - Preekstoel	1,3	S/B	CRR	20 000			20 000	
15.42	Tables & Chairs - Preekstoel	1,3	S/B	CRR	5 000		20 000		
15.43	Matresses & Beds - Preekstoel	1,3	S/B	CRR	15 000		25 000		
15.44	6 X Study Tables - Library - Protea	2	A/B	Library	6 000				
15.45	8 X Blinds - Library - Protea	2	A/B	Library	27 700				
15.46	24 X Chairs - Library - Protea	2	A/B	Library	15 000				
15.47	Sofauler - Library - Melkhoutfontein	1	S/B	Library	5 000				
15.48	Bookcase	3	S/B	Library	2 000				
15.49	Cupboard with Shelves - MM	HO	H/Q	CRR			3 000		
15.50	1 X Stapler (big) - MM	HO	H/Q	CRR			500		
15.51	1 X Punch (large) - MM	HO	H/Q	CRR			500		
15.52	1 X Typist Chair - MM	HO	H/Q	CRR			4 500		
15.55	1 X Heavy duty drill - ICT	HO	H/Q	CRR	2 000				
15.56	12 x Shelves - Library - Riverdale	6,7,8	R/D	Library	5 000				
15.57	Shelves - Library - Stilbaai	1,3	S/B	Library			260 000		
15.58	5 x Curtains / Blinds - Library - Slangrivier	4	S/R	Library				30 000	
15.60	New floormat for Office - Manager Parks	HO	H/Q	CRR	8 000				
15.61	Table & Chair - Landfill site - Albertinia	2	A/B	CRR	2 200				
15.62	1 X Standard 2 Drawer - Environment Deep Filer	HO	H/Q	CRR	2 200				
15.63	Roller Door Credenza 900x600-Shelf - Environment	HO	H/Q	CRR	3 500				
15.64	10 x Officers Parade Room Tables - Traffic	HO	H/Q	CRR			10 000		
15.65	10 x Officers Parade Room Chairs - Traffic	HO	H/Q	CRR			15 000		



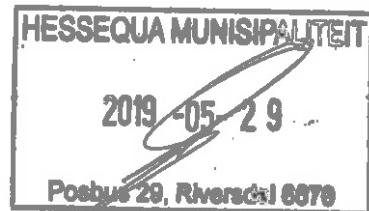


No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
15.66	2 x Cashiers Chair - Traffic	HO	H/Q	CRR	5 000				
15.67	1 X Desk with drawers - Animal Pound - LE	HO	H/Q	CRR			3 000		
15.68	1 X Office Chair - Animal Pound - LE	HO	H/Q	CRR	1 500				
15.69	Matresses - Disaster Management	HQ	H/Q	CRR	20 000	20 000			
15.70	Blankets - Disaster Management	HQ	H/Q	CRR	10 000	20 000			
15.71	2 X Digital Clock - SCM - Fin	HO	H/Q	CRR	2 000				
15.72	4 X Heavy Duty High back Chair - Income - Fin	HO	H/Q	CRR	14 000				
15.73	10 X Visitors Chairs with arms - Income - Fin	HO	H/Q	CRR	3 500				
15.74	2 X Visitors chairs - Rd1 Odendaal	HQ	H/Q	CRR	1 450				
15.75	1 X 3 Seat leather dark brown couch - Mayor	HQ	H/Q	CRR	10 000				
15.76	1 X Executive High Back Chair - Mayor	HQ	H/Q	CRR	4 700				
15.77	1 X High Back Chair - Mayor PA	HQ	H/Q	CRR	2 390				
15.78	1 X Laminating Machine - Mayor PA	HQ	H/Q	CRR	3 000				
15.79	1 X Ring Binder - Mayor PA	HQ	H/Q	CRR	3 000				
15.80	1 X Heavy duty stapler - Mayor PA	HQ	H/Q	CRR	1 400				
15.81	1 X White Board - Deputy Mayor	HQ	H/Q	CRR	1 340				
15.82	1 X White Board - Rd1 Odendaal	HQ	H/Q	CRR	1 340				
15.83	1 X White Board - Rd1 M Jakobe	HQ	H/Q	CRR	1 340				
15.84	2 X High Back Chair Black with arms Income - Finance	HO	H/Q	CRR	3 000				
15.85	1 X Heavy Duty High Back Chair with arms - Income - Finance	HO	H/Q	CRR	2 800				
15.86	3 X 3 Drawer Desk - Income - Finance	HO	H/Q	CRR	13 500				
15.87	3 X System Cupboard - Income - Finance	HO	H/Q	CRR	11 250				
15.88	6 X Visitors Chairs with arms - Income - Finance	HO	H/Q	CRR	4 500				
15.89	1 X Cabinet Server Room - ICT	HO	H/Q	CRR	60 000	40 000			
TOTAL FURNITURE AND OTHER OFFICE EQUIPMENT					398 610	882 685	286 820	28 000	28 000
16.1	LDV - Public Works - A/B	2	A/B	CRR		280 000			300 000
16.2	LDV - Sewerage - H/B	4,5	H/B	CRR	280 000			300 000	
16.3	LDV - Sewerage - S/B	1,3	S/B	CRR		300 000			





No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
16.4	LDV - Electricity - H/B	4,5	H/B	CRR		300 000			
16.5	1 X Sedan vehicle - IT	HO	H/Q	CRR			250 000		
16.6	Cherry Picker - Electricity - S/B	2	A/B	CRR	1 400 000				
16.7	Double Cab Truck Tipper - Public Works - S/R	4	S/R	CRR	600 000				
16.8	Double Cab Truck Tipper - Public Works - S/B	1,3	S/B	CRR		600 000			
16.9	Suction Tanker - Sewerage - W/S	4	W/S	CRR			1 100 000		
16.10	Suction Tanker - Sewerage - S/R	4	S/R	CRR		900 000			
16.11	Suction Tanker - Sewerage (Multi Purpose) - H/Q	HQ	H/Q	CRR	1 500 000				
16.13	Roller - Public Works - R/D	HQ	R/D	CRR		600 000			
16.14	Multi-purpose Loader - Public Works - S/B	1,3	S/B	CRR		1 400 000			
16.15	Multi-purpose Loader - Public Works - H/B	4,5	H/B	CRR			1 400 000		
16.16	Ride-on Broom - H/Q	HQ	H/Q	CRR		850 000			
16.17	Tractor - Parks - S/B	1,3	S/B	CRR			850 000		
16.18	Industrial Chippers - Refuse - H/Q	HQ	H/Q	CRR	500 000	500 000	250 000		
16.19	LDV - Public Works - W/S	4	W/S	CRR		300 000			
16.20	LDV - Water - S/B	1,3	S/B	CRR			300 000		
16.21	LDV - Water - R/D	8,7,8	R/D	CRR			300 000		
16.22	Double Cab 4x4 LDV - Environmental Management - H/Q	HQ	H/Q	CRR		500 000			
16.25	1 x 4x4 Double Cab LDV with Modified Side Unit - Fire	HQ	H/Q	CRR			650 000		
16.26	1 x Mobile Jcb equiped with Disaster Equipment - Fire	HQ	H/Q	CRR		300 000			
16.28	Compact Tractor - Camping Sites	HQ	H/Q	CRR	380 000				
16.29	Compact Mower - Camping Sites	HQ	H/Q	CRR	185 000				
16.31	Cherry Picker - Electricity - S/B	1,3	S/B	Loan	1 400 000				
16.32	Double Cab Truck Tipper - Public Works - S/B	1,3	S/B	CRR	660 000				
16.33	Suction Tanker - Sewerage - A/B	2	A/B	CRR	1 100 000				
16.34	1 X 5m3 Tipper - Public Works - H/B	4,5	H/B	CRR	700 000				
16.35	1 X 5m3 Tipper - Public Works - S/B	1,3	S/B	CRR	700 000				
16.36	Multi-purpose Loader - Public Works - A/B	2	A/B	CRR	1 380 000				





No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
16.37	Double Axle trailer with rails - Public Works - R/D	6,7,8	R/D	CRR	150 000				
	TOTAL VEHICLES				10 795 000	6 530 000	4 990 000	300 000	300 000
17.1	Tables and Chairs - Committee Room - Thusong Centre	HO	R/D	CRR	15 000				
17.2	Crockery & Cutlery - Preekstoel	1,3	S/B	CRR	5 000	5 400	5 835		
17.3	Crockery & Cutlery - Witsand Middel Kamp	4	W/S	CRR	540	580	600		
17.4	Crockery & Cutlery - Jongensfontein	3	J/F	CRR	2 500	2 800	3 000		
	TOTAL OTHER ASSETS				23 040	6 790	9 435	0	0
18.1	Enlarge Lukhanya Creche	7	R/D	CRR	100 000				
18.2	Fencing of Bitouville Kleuterskool	1	G/M	CRR		100 000	100 000		
18.3	Upgrading of Playpark Lukhanya Creche	7	R/D	CRR			80 000		
18.4	Upgrading of Neeskuitentjie Heidelberg	4	H/B	CRR		220 000			
18.5	New Business Hub - Kwanokuthula	7	R/D	CRR	600 000				
	TOTAL OTHER BUILDINGS				700 000	320 000	180 000	0	0
19.1	Infrastructure Low Cost Housing - MHFN	1	S/B	MIG			7 500 000		
19.2	Serviced Ets - GAP Housing	HQ	HQ	BEH				1 000 000	
19.3	Emergency Ets with own Services	HQ	HQ	BEH				6 000 000	
19.4	Ceiling - existing low cost housing	8	R/D	BEH				7 500 000	
	TOTAL OTHER LAND				0	0	7 500 000	13 500 000	0
20.1	Walk behind lawn mower - Parks - R/D	6,7,8	R/D	CRR		30 000			32 000
20.2	Walk behind lawn mower - Parks - S/B	1,3	S/B	CRR		30 000			32 000
20.5	Walk behind lawn mower - Parks - H/B	4,6	H/B	CRR		30 000			32 000
20.6	Weedeaters - Parks - A/B	2	A/B	CRR			8 300		8 500
20.7	Weedeaters - Parks - Heidelberg	4,6	H/B	CRR			8 300		8 500
20.8	Weedeaters - Parks - Riversdale	6,7,8	R/D	CRR		8 300		8 500	
20.9	Weedeaters - Parks - S/B	1,3	S/B	CRR		8 300	8 300	8 500	8 500
20.10	Weedeaters - Preekstoel	1	S/B	CRR			8 300		
20.12	Weedeaters - Jongensfontein	3	J/F	CRR		8 500			





No	Project description	Ward	Ref	Fynd 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
20.13	Weedeaters - Public Works - S/R	4	S/R	CRR			8 300		
20.14	Weedeaters - Public Works - W/S	4	W/S	CRR	8 300			8 500	
20.15	Weedeaters - Public Works - G/M	1	G/M	CRR		8 300			8 500
20.16	Sewerage Rods - H/Q	H/Q	H/Q	CRR	17 000	17 000	18 000	20 000	20 000
20.17	High Pressure Spout - Sewerage - Slangrivier	4	S/R	CRR		140 000			
20.18	Tar Cutter - Public Works - H/Q	H/Q	H/Q	CRR		85 000			
20.19	Tar Spout (200L) - Self Heating - P/Works - H/Q	H/Q	H/Q	CRR		170 000			
20.20	Double Drum pavement roller - Public Works - H/Q	H/Q	H/Q	CRR		350 000			
20.22	WAP - Public Works - R/D	6,7,8	R/D	CRR			25 000		
20.23	Jackhammers - Public Works - R/D	6,7,8	R/D	CRR	25 000		25 000		
20.24	Tools - Mechanical - H/Q	H/Q	H/Q	CRR	10 000	10 000	12 000	12 000	
20.25	Tools - Electricity - H/Q	H/Q	H/Q	CRR		15 000			
20.26	Tools - Public works	H/Q	H/Q	CRR	30 000				
20.27	Tools for Camp - Preekstoel	1,3	S/B	CRR			10 000		
20.28	Grinder - Petrol - Public Works - S/B	1,3	S/B	CRR			9 000		
20.29	Cut off Machine/saw - Electricity - H/B	4,5	H/B	CRR		5 000			
20.30	MIG Welder - Electricity - R/D	6,7,8	R/D	CRR	15 000				
20.32	1.8 m Ladders - Electricity - H/B	4,5	H/B	CRR		1 200			
20.33	2.4 m Ladders - Electricity - R/D	6,7,8	R/D	CRR	1 500			1 600	
20.34	4.8 m Extension Ladders - Electricity - H/B	4,5	H/B	CRR		4 000			
20.36	Fibre Ladders - Electricity - H/B	4,5	H/B	CRR	10 000			10 000	
20.37	Oil Tester - for di-electric or Insulation level tests	H/Q	H/Q	CRR	150 000				
20.38	VLF - AC Pressure Tester - H/Q	H/Q	H/Q	CRR	250 000				
20.40	Link Stick clamps DISP head - Electricity - R/D	6,7,8	R/D	CRR			3 000	3 000	
20.42	30 X Fault Indicators - Electricity - H/Q	H/Q	H/Q	CRR		120 000			
20.43	Brush Cutters 1,5m - Public Works - H/Q	H/Q	H/Q	CRR	38 000	38 000	40 000	40 000	42 000
20.44	Walkie-Talkie Radios - Electricity - Hessequa	H/Q	H/Q	CRR		55 000	55 000	60 000	
20.46	New Road, Info and street Signs - Traffic	H/Q	H/Q	CRR	150 000	150 000	150 000	170 000	170 000





No.	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
20.47	1 x Storage Containers - Traffic	HQ	H/Q	CRR	40 000				
20.48	5 x Lockers - Traffic	HQ	H/Q	CRR	50 000				
20.49	1 x Motorcycle Test Device - Traffic	HQ	H/Q	CRR	70 000				
20.50	1 x 2.4 (8 step) Ladder - Traffic (Road Maintenance)	HQ	H/Q	CRR	4 000				
20.61	1 x Trotter - Animal Pound - LE	HQ	H/Q	CRR	3 000				
20.62	Cable & Fault detector - Low & High tension - Electr.	HQ	H/Q	CRR			300 000		
20.63	Concrete Mixer - Public Works - R/D	6.7.8	R/D	CRR	50 000				
20.54	Radio Network - Fire	HQ	H/Q	CRR	50 000				
20.55	Hoses - Fire	HQ	H/Q	CRR	10 000	10 000			
20.56	5 x Breathing Apparatus with back plate - Fire	HQ	H/Q	CRR	50 000	60 000			
20.57	10 x Cylinders - Fire	HQ	H/Q	CRR	15 000	15 000			
20.58	2 x Air Purifying respirator - Fire	HQ	H/Q	CRR	7 000				
20.59	5 x PASS Devices - Fire	HQ	H/Q	CRR	20 000	20 000			
20.60	5 x Bolt Cutters - Fire	HQ	H/Q	CRR	5 000				
20.61	5 x Hose Ramps - Fire	HQ	H/Q	CRR	10 000	10 000			
20.62	5 x Hose Dividers - Fire	HQ	H/Q	CRR	20 000	20 000	10 000		
20.63	2 x Nozzles - Fire	HQ	H/Q	CRR	20 000	15 000			
20.64	5 x Tree Axe's - Fire	HQ	H/Q	CRR	2 000				
20.65	5 x Fireman Axe - Fire	HQ	H/Q	CRR	10 000	10 000			
20.66	5 x Ceiling Hooks - Fire	HQ	H/Q	CRR	5 000				
20.67	5 x Halligan Tool - Fire	HQ	H/Q	CRR	10 000	10 000	10 000		
20.68	1 x Protégé Gas Detector - Fire	HQ	H/Q	CRR			100 000		
20.69	1 x Positive Pressure Smoke Ventilator(Blower) - Fire	HQ	H/Q	CRR	10 000				
20.70	4 x Chain Saw - Fire	HQ	H/Q	CRR	15 000	15 000			
20.71	5 x 10lb Hammer - Fire	HQ	H/Q	CRR	2 000				
20.72	5 x 4lb Hammer - Fire	HQ	H/Q	CRR	2 000				
20.73	5 x Tommy Bar - Fire	HQ	H/Q	CRR	1 000				
20.74	1 x Heat meter Camera - Fire	HQ	H/Q	CRR			90 000		





No	Project description	Ward	R/pf	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
20.75	5 x Hazmat Spades - Fire	HQ	H/Q	CRR	5 000				
20.76	5 x Spades - Fire	HQ	H/Q	CRR	1 000				
20.77	1 x Floating Suction Pump - Fire	HQ	H/Q	CRR	15 000				
20.78	1 x Stand, Gas Cylinder and Cutting Torch - Fire	HQ	H/Q	CRR			12 000		
20.79	1 x Generator - Fire	HQ	H/Q	CRR	6 000				
20.80	1 x Blower - Fire	HQ	H/Q	CRR	8 000				
20.81	1 x Brush Cutter - Fire	HQ	H/Q	CRR	10 000				
20.82	5 x Nap Sack - Fire	HQ	H/Q	CRR	5 500				
20.83	5 x Hazmat Squeegee, 610mm Rubber Blade - Fire	HQ	H/Q	CRR	1 000				
20.84	5 x Rake Hoe - Fire	HQ	H/Q	CRR	1 000				
20.85	5 x Fire Beaters - wooden handle - Fire	HQ	H/Q	CRR	1 000				
20.86	10 X Two Way Radio Devices - Protection Services	HQ	H/Q	CRR	50 000	40 000			
20.87	Fire Hydrants - Riversdale - Fire	6.7.8	R/D	CRR	70 000	50 000	50 000	70 000	
20.88	Fire Hydrants - Heidelberg - Fire	4.5	H/B	CRR	70 000	50 000	60 000	70 000	
20.89	Fire Hydrants - Stillbaai - Fire	1.3	S/B	CRR	70 000	50 000	60 000	70 000	
20.90	Fire Hydrants - Albertinia - Fire	2	A/B	CRR	70 000	50 000	60 000	70 000	
20.91	Fire Hydrants - Slangrivier - Fire	4	S/R	CRR	35 000	50 000	60 000	70 000	
20.92	Fire Hydrants - Gouritsmond - Fire	1	G/M	CRR	35 000	30 000	35 000	45 000	
20.93	Fire Hydrants - Witsand - Fire	4	W/S	CRR	35 000	30 000	35 000	40 000	
20.96	1 x 40 HP 4 stroke outboard Motor - Environmental - H/Q	HQ	H/Q	CRR		75 000			
20.97	Grinder - Environment - H/Q	HQ	H/Q	CRR	4 000				
20.98	Compressor 12 v 180 l/m - Environment - H/Q	HQ	H/Q	CRR	2 200				
20.99	Belt sander - Environment - H/Q	HQ	H/Q	CRR	3 500				
20.100	Walkie-Talkie Radios - Environment - H/Q	HQ	H/Q	CRR	10 000				
20.101	1 X 22 ton Winch with power pack - Mechanical - H/Q	HQ	H/Q	Loan			350 000		
20.102	Chain Saw - Environment - H/Q	HQ	H/Q	CRR	9 500				
TOTAL PLANT & EQUIPMENT					1 703 500	1 663 600	1 630 500	777 108	362 900
21.1	Refuse Compacter - H/Q	HQ	H/Q	Loan	2 600 000			3 000 000	





No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
21.2	Medium Pumpers 4x4 (Fire Brigade)	HQ	H/Q	Loan	1 175 000				2 500 000
21.3	Medium Pumpers 4x4 (Fire Brigade)	HQ	H/Q	Fire	830 000				
	TOTAL SPECIALISED VEHICLES				4 605 000	0	0	3 000 000	2 500 000
					110 466 906	77 443 340	68 733 255	47 861 100	12 276 900





Table SA38 - Projects delayed from previous financial year (NT – Supporting Tables)

HESSEQUA MUNISIPALITEIT

2019-05-29

Postbus 28, Petersdal 6870



Table SA38 - Projects delayed from previous financial year (NT – Supporting Tables) - continue



Hessequa Municipality

2019/20 Final Annual Budget and MTREF



Table SA38 - Projects delayed from previous financial year (NT – Supporting Tables) - continues

HESSEQUA MUNISIPALITET
2019 -05-29

Hessequa Municipality

2019/20 Final Annual Budget and MTBREF



Table SA38 - Projects delayed from previous financial year (NT – Supporting Tables) - continue

Overall Project Status & Performance Metrics																Future Project Planning & Resource Allocation			
Category	Sub-Category	Project Description		Regional Priority		Type		Initial Budget Estimate		YTD Performance		Q3 Outlook		Actual Results		Planned Budget			
		Project Name	Description	Priority Level	Region	Phase	Scope	Budget (\$M)	Actual (\$M)	Progress (%)	Completion (%)	Impact Score	Actual (\$M)	Planned (\$M)	Delta (\$M)	Planned (\$M)	Delta (\$M)		
Project Overview & Key Performance Indicators																			
Risk Tracked	Global Economic Trends	Global Economic Trends	Global Economic Trends	High	North America	Planning	Market Research	\$100M	\$95M	90%	85%	8.5	\$98M	\$100M	-\$2M	\$102M	+\$2M		
Risk T-1	Geopolitical Events	Geopolitical Events	Geopolitical Events	Medium	Europe	Monitoring	Geopolitical Events	\$80M	\$75M	85%	75%	7.8	\$78M	\$80M	-\$2M	\$82M	+\$2M		
Risk Tracked	Supply Chain Disruptions	Supply Chain Disruptions	Supply Chain Disruptions	High	Asia-Pacific	Monitoring	Supply Chain Disruptions	\$120M	\$110M	80%	70%	8.2	\$115M	\$120M	-\$5M	\$125M	+\$5M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$90M	\$85M	88%	80%	8.0	\$88M	\$90M	-\$2M	\$92M	+\$2M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$70M	\$65M	82%	72%	7.5	\$68M	\$70M	-\$2M	\$72M	+\$2M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$110M	\$105M	84%	76%	8.1	\$108M	\$110M	-\$2M	\$112M	+\$2M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$60M	\$55M	78%	68%	7.3	\$58M	\$60M	-\$2M	\$62M	+\$2M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$130M	\$125M	86%	78%	8.3	\$128M	\$130M	-\$2M	\$132M	+\$2M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$85M	\$80M	89%	81%	8.6	\$83M	\$85M	-\$2M	\$87M	+\$2M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$75M	\$70M	87%	79%	7.9	\$73M	\$75M	-\$2M	\$77M	+\$2M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$115M	\$110M	89%	81%	8.4	\$113M	\$115M	-\$2M	\$117M	+\$2M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$65M	\$60M	81%	71%	7.6	\$58M	\$65M	-\$7M	\$71M	+\$16M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$135M	\$130M	91%	83%	8.5	\$133M	\$135M	-\$2M	\$137M	+\$2M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$95M	\$90M	93%	85%	8.7	\$93M	\$95M	-\$2M	\$97M	+\$2M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$80M	\$75M	90%	82%	8.0	\$78M	\$80M	-\$2M	\$82M	+\$2M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$125M	\$120M	92%	84%	8.2	\$123M	\$125M	-\$2M	\$127M	+\$2M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$70M	\$65M	86%	76%	7.8	\$63M	\$70M	-\$7M	\$76M	+\$13M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$140M	\$135M	94%	86%	8.6	\$138M	\$140M	-\$2M	\$142M	+\$2M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$105M	\$100M	95%	87%	8.8	\$103M	\$105M	-\$2M	\$107M	+\$2M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$90M	\$85M	93%	85%	8.1	\$88M	\$90M	-\$2M	\$92M	+\$2M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$130M	\$125M	94%	86%	8.3	\$128M	\$130M	-\$2M	\$132M	+\$2M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$75M	\$70M	88%	78%	8.0	\$68M	\$75M	-\$7M	\$81M	+\$13M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$145M	\$140M	96%	88%	8.8	\$143M	\$145M	-\$2M	\$149M	+\$4M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$110M	\$105M	96%	88%	8.9	\$108M	\$110M	-\$2M	\$112M	+\$2M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$95M	\$90M	94%	86%	8.2	\$83M	\$95M	-\$12M	\$107M	+\$20M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$135M	\$130M	95%	87%	8.4	\$133M	\$135M	-\$2M	\$137M	+\$2M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$80M	\$75M	90%	80%	7.9	\$72M	\$80M	-\$8M	\$88M	+\$8M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$150M	\$145M	97%	89%	8.9	\$148M	\$150M	-\$2M	\$152M	+\$2M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$115M	\$110M	97%	89%	8.7	\$113M	\$115M	-\$2M	\$119M	+\$4M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$100M	\$95M	95%	87%	8.0	\$98M	\$100M	-\$2M	\$102M	+\$2M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$140M	\$135M	96%	88%	8.3	\$138M	\$140M	-\$2M	\$142M	+\$2M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$85M	\$80M	91%	81%	7.9	\$77M	\$85M	-\$8M	\$93M	+\$16M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$155M	\$150M	98%	90%	8.8	\$153M	\$155M	-\$2M	\$157M	+\$2M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$120M	\$115M	98%	90%	8.5	\$118M	\$120M	-\$2M	\$124M	+\$4M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$105M	\$100M	96%	88%	8.1	\$93M	\$105M	-\$12M	\$117M	+\$20M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$145M	\$140M	97%	89%	8.4	\$143M	\$145M	-\$2M	\$149M	+\$2M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$90M	\$85M	92%	82%	7.9	\$77M	\$90M	-\$13M	\$103M	+\$16M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$160M	\$155M	99%	91%	8.9	\$158M	\$160M	-\$2M	\$162M	+\$2M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$125M	\$120M	98%	90%	8.6	\$123M	\$125M	-\$2M	\$129M	+\$4M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$100M	\$95M	96%	88%	8.2	\$88M	\$100M	-\$12M	\$118M	+\$20M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$150M	\$145M	97%	89%	8.5	\$148M	\$150M	-\$2M	\$152M	+\$2M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$95M	\$90M	93%	83%	7.9	\$82M	\$95M	-\$13M	\$112M	+\$17M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$165M	\$160M	99%	92%	8.9	\$163M	\$165M	-\$2M	\$167M	+\$2M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$130M	\$125M	98%	90%	8.7	\$128M	\$130M	-\$2M	\$134M	+\$4M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$105M	\$100M	96%	88%	8.3	\$93M	\$105M	-\$12M	\$115M	+\$20M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$155M	\$150M	97%	89%	8.6	\$153M	\$155M	-\$2M	\$159M	+\$2M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$100M	\$95M	94%	84%	7.9	\$88M	\$100M	-\$12M	\$110M	+\$12M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$170M	\$165M	99%	93%	8.9	\$168M	\$170M	-\$2M	\$174M	+\$4M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$135M	\$130M	98%	90%	8.8	\$133M	\$135M	-\$2M	\$139M	+\$4M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$110M	\$105M	96%	88%	8.4	\$100M	\$110M	-\$10M	\$120M	+\$20M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$160M	\$155M	97%	89%	8.7	\$158M	\$160M	-\$2M	\$164M	+\$4M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$105M	\$100M	95%	85%	7.9	\$85M	\$105M	-\$20M	\$125M	+\$20M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$175M	\$170M	99%	94%	8.9	\$173M	\$175M	-\$2M	\$179M	+\$4M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$140M	\$135M	98%	90%	8.6	\$138M	\$140M	-\$2M	\$146M	+\$6M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$115M	\$110M	96%	88%	8.2	\$105M	\$115M	-\$10M	\$135M	+\$20M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$165M	\$160M	97%	89%	8.5	\$163M	\$165M	-\$2M	\$171M	+\$6M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$110M	\$105M	95%	82%	7.9	\$80M	\$110M	-\$30M	\$140M	+\$20M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$180M	\$175M	99%	95%	8.9	\$178M	\$180M	-\$2M	\$186M	+\$6M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$145M	\$140M	98%	90%	8.7	\$143M	\$145M	-\$2M	\$151M	+\$6M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$120M	\$115M	96%	88%	8.3	\$110M	\$120M	-\$10M	\$130M	+\$20M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$170M	\$165M	97%	89%	8.6	\$168M	\$170M	-\$2M	\$178M	+\$6M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$115M	\$110M	95%	83%	7.9	\$85M	\$115M	-\$30M	\$145M	+\$20M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$185M	\$180M	99%	96%	8.9	\$183M	\$185M	-\$2M	\$193M	+\$6M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$150M	\$145M	98%	90%	8.8	\$148M	\$150M	-\$2M	\$158M	+\$6M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$125M	\$120M	96%	88%	8.4	\$115M	\$125M	-\$10M	\$135M	+\$20M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$175M	\$170M	97%	89%	8.7	\$173M	\$175M	-\$2M	\$185M	+\$6M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$120M	\$115M	95%	82%	7.9	\$80M	\$120M	-\$40M	\$160M	+\$20M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$190M	\$185M	99%	97%	8.9	\$188M	\$190M	-\$2M	\$198M	+\$6M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$155M	\$150M	98%	90%	8.9	\$153M	\$155M	-\$2M	\$163M	+\$6M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$130M	\$125M	96%	88%	8.5	\$120M	\$130M	-\$10M	\$140M	+\$20M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$180M	\$175M	97%	89%	8.8	\$178M	\$180M	-\$2M	\$190M	+\$6M		
Risk Tracked	Political Instability	Political Instability	Political Instability	High	Latin America	Monitoring	Political Instability	\$125M	\$120M	95%	83%	7.9	\$85M	\$125M	-\$40M	\$165M	+\$20M		
Risk Tracked	Geopolitical Events	Geopolitical Events	Geopolitical Events	High	Europe	Monitoring	Geopolitical Events	\$195M	\$190M	99%	98%	8.9	\$193M	\$195M	-\$2M	\$205M	+\$6M		
Risk Tracked	Technological Advancements	Technological Advancements	Technological Advancements	Medium	North America	Monitoring	Technological Advancements	\$160M	\$155M	98%	90%	8.8	\$158M	\$160M	-\$2M	\$170M	+\$6M		
Risk Tracked	Regulatory Changes	Regulatory Changes	Regulatory Changes	Medium	Europe	Monitoring	Regulatory Changes	\$135M	\$130M	96%	88%	8.5	\$125M	\$135M	-\$10M	\$155M	+\$20M		
Risk Tracked	Commodity Prices	Commodity Prices	Commodity Prices	Medium	Asia-Pacific	Monitoring	Commodity Prices	\$185M	\$180M	97%	89%	8.9	\$183M	\$185M	-\$2M	\$195M	+\$6M		
Risk Tracked																			



Hessequa Municipality

2019/20 Final Annual Budget and MTBREF



Table SA38 - Projects delayed from previous financial year (NT – Supporting Tables) - continue





Table SA38 - Projects delayed from previous financial year (NT – Supporting Tables) - continue



2.15 LEGISLATION COMPLIANCE STATUS

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipal website.

2. Internship programme

The Municipality is participating in the Municipal Financial Management Internship programme and has employed four interns undergoing training in the Financial Services Department.

3. Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee

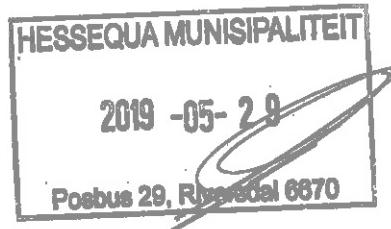
An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

The detail SDBIP document will be finalized after approval of the 2019/20 MTREF in May 2019, directly aligned and informed by the 2019/20 MTREF.

6. Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.



2019 -05-29

2.16 OTHER SUPPORTING DOCUMENTS

Table SA1: - Supporting detail to budgeted financial performance – (NT – supporting tables)

Description	Ref	Current Year 2019/20							2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		R thousand	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand
REVENUE ITEMS:											
Property rates	8										
Total Property Rates		72 130	77 608	85 124	82 928	82 928	82 928	92 928	103 050	110 768	119 628
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRDA)		8 184	8 610	8 976	8 083	8 083	8 083	8 083	8 403	8 075	8 801
Net Property Rates		63 937	79 998	76 148	84 845	84 845	84 845	84 845	94 647	101 683	109 826
Service charges - electricity revenue	8										
Total Service charges - electricity revenue		120 278	130 750	135 138	141 555	141 555	141 555	141 555	181 582	175 175	189 178
less Revenue Foregone (in excess of 80 kWh per indigent household per month)				318	334	334	334	334	361	386	413
less Cost of Free Basic Services (50 kWh per indigent household per month)		2 468	2 473	2 600	3 046	3 046	3 046	3 046	2 288	1 629	3 768
Net Service charges - electricity revenue		117 788	130 077	132 138	138 175	138 175	138 175	138 175	161 221	171 272	184 900
Service charges - water revenue	8										
Total Service charges - water revenue		34 797	38 671	41 860	45 223	45 223	45 223	45 223	50 757	54 897	59 182
less Revenue Foregone (in excess of 8 litres per indigent household per month)		5 000	6 344	6 325	7 222	7 227	7 227	7 227	7 317	7 794	8 418
less Cost of Free Basic Services (8 litres per indigent household per month)		1 100	1 160	1 822	1 602	1 602	1 602	1 602	1 455	3 778	2 878
Net Service charges - water revenue		26 618	31 145	33 830	36 394	36 394	36 394	36 394	37 965	40 987	47 708
Service charges - sanitation revenue	8										
Total Service charges - sanitation revenue		22 682	24 880	27 326	28 053	28 053	28 053	28 053	32 389	34 981	37 778
less Revenue Foregone (in excess of free sanitation service to indigent households)		18 985	17 194	20 242	21 197	21 197	21 197	21 197	22 332	25 199	27 214
less Cost of Free Basic Services (free sanitation service to indigent households)		6 087	7 388	7 085	7 825	7 855	7 855	7 855	8 087	9 791	10 984
Net Service charges - sanitation revenue		17 000	18 367	21 554	28 274	28 274	28 274	28 274	31 074	33 580	38 244
Service charges - refuse revenue	8										
Total refuse removal revenue		17 000	18 367	21 554	28 274	28 274	28 274	28 274	31 074	33 580	38 244
Total landfill revenue											
less Revenue Foregone (in excess of one removal a week to indigent households)		3 388	3 829	6 290	7 112	7 112	7 112	7 112	8 178	9 485	10 158
less Cost of Free Basic Services (removed once a week to indigent households)		11 612	12 542	15 284	16 162	16 162	16 162	16 162	22 374	22 989	24 184
Net Service charges - refuse revenue		11 612	12 542	15 284	16 162	16 162	16 162	16 162	22 374	22 989	24 184
Other Revenue by category											
Fuel Levy											
Sale Of Goods & Services		6 240	16 184	17 085	13 848	13 848	13 848	13 848	15 372	17 391	18 457
Other Revenues					1 855	1 982	1 982	1 982	1 982	—	—
Other Revenue					985	—	—	—	2 001	3 024	2 046
Total 'Other' Revenue	1	5 240	16 184	17 085	15 865	15 865	15 865	15 865	18 414	19 439	20 484
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	63 291	62 062	61 930	107 983	108 301	108 301	108 301	117 761	125 394	134 103
Personnel and UIF Contributions		15 388	15 843	16 825	10 400	19 008	19 008	19 008	23 001	24 500	26 321
Medical Aid Contributions		4 374	4 963	6 500	8 607	8 607	8 607	8 607	7 121	7 619	8 152
Overtime		3 381	3 973	5 219	4 876	4 786	4 786	4 786	5 487	5 928	6 400
Performance Bonus		—	7 847	8 025	8 868	8 868	8 868	8 868	10 274	10 958	11 722
Motor Vehicle Allowance		4 573	4 563	459	488	488	488	488	535	573	513
Cafeteria Allowance		384	385	348	375	375	375	375	367	425	454
Housing Allowance		1 089	1 142	1 159	1 487	1 487	1 487	1 487	1 536	1 644	1 768
Other benefits and allowances		2 484	3 393	7 186	7 950	8 002	8 002	8 002	8 546	9 170	9 863
Payments in lieu of leave		—	—	989	482	482	482	482	570	610	653
Long service award		1 048	1 133	(0)	1 545	843	843	843	910	974	1 042
Post-retirement benefit calculations	4	1 852	1 108	19 673	6 234	7 973	7 973	7 973	10 098	11 083	11 697
sub-total	5	116 414	127 701	150 488	186 385	186 198	186 198	186 198	186 234	196 998	212 709
<i>Note: Employee costs capitalised to PPE</i>											
Total Employee related costs	1	116 414	127 701	150 488	186 385	186 198	186 198	186 198	186 234	196 998	212 709

Table SA1: - Supporting detail to budgeted financial performance – (NT – supporting tables) - CONTINUE

WC042 Hessequa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

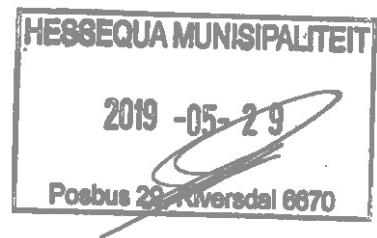
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/20	Budget Year +1 2019/21	Budget Year +2 2021/22
R thousand											
EXPENDITURE ITEM:											
Contributions recognized - capital											
Transfers And Subsidies - Capital (Machinery Allocations) (National)		—	—	—	—	237	237	237	—	—	—
Total Contributions recognised - capital		—	—	—	—	237	237	237	—	—	—
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment	24 836	25 594	30 019	35 884	35 884	35 884	35 884	34 718	36 009	36 094	
Lease amortisation			28	76	76	76	76	26	26	26	26
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	24 836	25 594	30 044	35 880	35 880	35 880	34 743	36 035	36 119	
Bulk purchases											
Electricity Bulk Purchases		80 465	87 870	89 170	93 876	93 876	93 876	93 876	108 548	125 514	142 568
Water Bulk Purchases		5 114	—	102	8 174	8 222	8 222	8 222	349	378	415
Total bulk purchases	1	85 579	87 870	89 362	102 048	94 197	94 197	94 197	106 897	125 893	142 982
Transfers and grants											
Cash transfers and grants		—	865	923	639	1 107	1 107	1 107	1 187	1 426	1 268
Non-cash transfers and grants		—	—	132	48	48	48	48	51	54	57
Total transfers and grants	1	—	865	1 055	687	1 155	1 155	1 155	1 247	1 486	1 323
Contracted services											
Contractors		4 684	38 735	32 193	39 303	38 872	38 872	38 872	32 894	47 736	55 482
Outsourced Services											
Consultants & Professionals					15 980	18 972	18 972	18 972	11 072	12 908	11 885
sub-total	1	4 684	38 735	32 193	29 303	38 872	38 872	38 872	32 894	47 736	55 482
Allotments to organs of state											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		4 684	38 735	32 193	29 303	38 872	38 872	38 872	32 894	47 736	55 482
Other Expenditure by Type											
Collection costs											
Contributions to 'other' provisions											
Consultant fees											
Audit fees											
General expenses	3	49 603	18 124	22 065	30 573	30 400	30 400	30 400	32 468	34 088	35 877
Total 'Other' Expenditure	1	48 603	18 124	22 065	30 573	30 400	30 400	30 400	32 468	34 088	35 877
Repairs and Maintenance											
by Expenditure Item											
Employee related costs			46 352	61 250	58 687	58 202	58 202	58 202	65 362	70 819	75 853
Other materials		7 848	7 628	7 895	5 719	5 709	5 709	5 709	6 534	6 963	7 418
Contracted Services		7 790	8 389	8 863	10 031	11 689	11 689	11 689	10 379	12 628	12 255
Other Expenditure		250	1 154	1 328	1 367	1 125	1 125	1 125	1 312	1 402	1 497
Total Repairs and Maintenance Expenditure	9	15 686	63 633	69 154	76 704	76 736	76 736	76 736	83 578	91 709	97 022



Table SA2: – Matrix financial performance budget (revenue source/expenditure type and department) – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Department	Ref	Vote 01 - Offices Of The Mun.	Vote 02 - Corporate Services	Vote 03 - Financial Services	Vote 04 - Community Services	Vote 05 - Technical Services	Vote 06 - Spatial Planning & Environment	Vote 07 - Health	Vote 08 - Planning And Development	Vote 09 - Government of Protection	Vote 10 - Electricity	Vote 11 - Water Management	Vote 12 - Waste Management	Vote 13 - Waste Management	Vote 14 - Road Transport	Vote 15 - Other	Total
R thousand	1																
Revenue by Source																	
Property rates		–	–	94 057	–	–	–	–	–	–	–	–	–	–	–	–	94 057
Service charges - electricity revenue		–	–	–	–	167 911	–	–	–	–	–	–	–	–	–	–	167 911
Service charges - water revenue		–	–	–	–	49 957	–	–	–	–	–	–	–	–	–	–	49 957
Service charges - rainfall revenue		–	–	–	–	23 332	–	–	–	–	–	–	–	–	–	–	23 332
Rental of facilities and equipment		362	–	–	9	2 260	–	–	–	–	–	–	–	–	–	–	2 260
Interest earned - external investments		3	8 640	–	–	–	65	–	–	–	–	–	–	–	–	–	8 640
Interest earned - outstanding debtors		–	965	–	1 033	–	–	–	–	–	–	–	–	–	–	–	965
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		71	–	46 011	–	–	–	–	–	–	–	–	–	–	–	–	46 011
Licences and permits		–	–	1 282	–	261	–	–	–	–	–	–	–	–	–	–	1 283
Agency services		–	–	2 208	–	–	–	–	–	–	–	–	–	–	–	–	2 208
Other revenue		1 110	13 675	423	476	466	2 002	–	–	–	–	–	–	–	–	–	13 675
Transfers and subsidies		44 123	8 758	1 030	1 032	1 006	358	–	–	–	–	–	–	–	–	–	52 127
Gains on disposal of PPE		–	–	–	–	2 065	–	–	–	–	–	–	–	–	–	–	2 065
Total Revenue (excluding capital transfers and contributions)		46 333	32 906	106 310	69 610	201 196	6 361	–	–	–	–	–	–	–	–	–	461 770
Expenditure by Type																	
Equipment and costs		16 057	25 400	35 370	20 129	84 009	16 407	–	–	–	–	–	–	–	–	–	105 334
Ramification of controllers		8 330	–	–	–	–	–	–	–	–	–	–	–	–	–	–	8 330
Debt repayment		–	–	1 694	–	35 050	4 703	–	–	–	–	–	–	–	–	–	41 055
Depreciation & asset impairment		48	2 680	170	810	30 681	78	–	–	–	–	–	–	–	–	–	34 763
Finance charges		–	281	–	261	21 658	–	–	–	–	–	–	–	–	–	–	21 658
Bulk purchases		–	–	–	–	108 067	–	–	–	–	–	–	–	–	–	–	108 067
Other materials		79	2 149	363	1 888	24 833	460	–	–	–	–	–	–	–	–	–	30 053
Contracted services		4 224	4 247	3 531	7 738	11 768	1 165	–	–	–	–	–	–	–	–	–	30 054
Transfers and subsidies		620	40	–	–	–	827	–	–	–	–	–	–	–	–	–	1 047
Other expenditure		4 650	7 400	4 503	2 804	11 834	1 903	–	–	–	–	–	–	–	–	–	32 400
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		54 598	46 217	30 316	69 972	207 083	14 107	–	–	–	–	–	–	–	–	–	487 907
Surplus/(Deficit)																	(1 912)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District Agencies, Households, Non-profit Institutions, Public Enterprises, Public Corporations, Higher Educational Institutions)		–	–	131	350	831	14 953	–	–	–	–	–	–	–	–	–	11 343
Transfers and subsidies - capital (n-tied - all)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		16 789	(22 311)	70 028	(17 126)	34 729	8 739	–	–	–	–	–	–	–	–	–	631



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Table SA9: – Social, economic and demographic statistics and assumptions – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome		Outcome	Outcome	Outcome
Demographics												
Population			44		53	55	56	56				
Females aged 5 - 14			8		4	4	4	4				
Males aged 5 - 14					4		4	4				
Females aged 15 - 34			14		5	7	8	8				
Males aged 15 - 34					7		8	8				
Unemployment:			0		0							
Monthly household income (no. of households)	1, 12											
No income			808		1 248	1 361	1 422					
R1 - R1 680			486		275	261	239					
R1 681 - R3 200			1 098		470	362	304					
R3 201 - R6 400			2 897		2 241	2 120	2 075					
R6 401 - R12 800			3 002		3 579	3 797	3 773					
R12 801 - R25 600			1 886		3 570	4 056	4 324					
R25 601 - R51 200			1 054		2 274	2 052	2 004					
R51 201 - R102 400			376		1 423	1 857	2 121					
R102 401 - R204 800			74		607	652	1 044					
R204 801 - R409 600			57		137	163	178					
R409 601 - R819 200			42		47	48	49					
> R819 200			9		41	58	65					
Poverty profiles (no. of households)												
< R2 000 per household per month	13		9 141		7 813	7 691.31	7 571.61	7 483.68				
Insert description	2											
Households/microgrids (no.)												
Number of people in municipal area			44 118		62 468	53	54	55				
Number of poor people in municipal area					25 782							
Number of households in municipal area					15 873							
Number of poor households in municipal area					7 613							
Debtors of poor household (R per month)					45 500							
Housing situation	3											
Formal			15 060									
Informal			894									
Total number of households			15 873			14 951						
Dwellings provided by municipality	4					87 317						
Dwellings provided by private sector	5											
Total new housing dwellings												
Economic	8											
Inflation/inflation outlook (CPBK)												
Interest rate - borrowing												
Interest rate - investment												
Ramification borrowers												
Consumption growth (electricity)												
Consumption growth (water)												
Collection Vign	7											
Property tax/service charges												
Rental of houses & equipment												
Interest - external investments												
Interest - citizens												
Revenue from agency services												



Table SA21: – Transfers and Grants made by the Municipality

WC042 Hessequa - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
Cash Transfers to other municipalities											
Invest description	1										
Total Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	
Cash Transfers to Entities/Other External Mechanisms	2										
Total Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	
Cash Transfers to other Organs of State	3										
Total Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	
Cash Transfers to Organisations											
Non Prof Unspecified		865	20	10	10	10	10	10	10	10	
Grants To Non Profit Inst			13	–	–	–	–	–	–	–	
Grants To Non Profit Inst Hv Argelogg			–	13	13	13	13	13	–	–	
Grants To Non Profit Inst Breede River			320	310	230	330	330	–	–	–	
Grants To Non Profit Inst Enviro Adm			–	17	0	0	0	–	–	–	
Grants To Non Profit Inst River Control			–	6	1	1	1	–	–	–	
Grants To Non Profit Inst Gourits Nature			1	5	5	5	5	–	–	–	
Grants To Non Prof Inst OtherDep/Mayor			46	50	50	50	50	50	50	50	
Non Prof Breede River			532	526	598	698	698	320	320	320	
Non Prof Enviro Adm								7	7	7	
Non Prof Gourits Nature								30	30	30	
Non Prof River Control								6	6	6	
Non Prof Unspecified								770	907	853	
Total Cash Transfers To Organisations		–	865	923	926	1 107	1 107	1 107	1 107	1 426	1 286
Cash Transfers to Groups of Individuals											
Hh Oth Trans Business Non Employee			–	–	–	–	–	–	–	–	
Ts_O_M_Hh_Cash_Business (Non-Employee)			–	–	–	–	–	–	–	–	
Total Cash Transfers To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	
TOTAL CASH TRANSFERS AND GRANTS	6	–	865	923	926	1 107	1 107	1 107	1 107	1 426	1 286
Non-Cash Transfers to other municipalities											
1											
Total Non-Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	
Non-Cash Transfers to Entities/Other External Mechanisms	2										
Total Non-Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	
Non-Cash Transfers to other Organs of State	3										
Total Non-Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	
Non-Cash Grants to Organisations	4										
Total Non-Cash Grants To Organisations		–	–	–	–	–	–	–	–	–	
Grants of Individuals	5										
Hh Spp Soc Ass Grant In Aid				132	46	46	46	46	–	–	
Ts_O_M_Hh_Soc Assn_Grant In Aid Dis Re				–	–	–	–	–	61	54	
Total Non-Cash Grants To Groups Of Individuals:		–	–	132	46	46	46	46	21	34	57
TOTAL NON-CASH TRANSFERS AND GRANTS		–	–	132	46	46	46	46	21	34	57
TOTAL TRANSFERS AND GRANTS	6	–	865	1 055	967	1 153	1 153	1 153	1 247	1 400	1 323



Table SA32: – List of external mechanisms – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
					R thousand
Working On Fire	Yrs	3	Fire Brigade Services	08/2018 TO 31/03/20	2 610
Henque Waste	Yrs	3	Refuse Recycling	09/2017 TO 30/06/20	922
SYNTELL (PTY) LTD	Yrs	4	THE PROVISION OF TRAFFIC LAW ENFORCEMENT	07/2018 TO 30/06/20	2 060
JIRAH CONSTRUCTION CC	Yrs	1	Cleaning of Stormwater pipes	1/09/2016 - 30/06/20	303
KONICA MINOLTA SOUTH AFRICA	Yrs	3	SUPPLY AND INSTALLATION OF PHOTO COPIERS - New expiry date	1/07/2016 - 30/06/20	601
VOX Telecommunications (PTY) Ltd	Yrs	3	Telecommunication system	1/07/2016 - 30/06/20	1 442
IGNITE ADVISORY SERVICES	Yrs	3	PROVISION OF AN ELECTRONIC INFORMATION SYSTEM	12/2017 TO 30/11/20	330
ITRON METERING SOLUTIONS SOUTH AFRICA	Yrs	3	THE IMPLEMENTATION OF PREPAID ELECTRICITY	1/07/2017 - 30/06/20	571
ROUTEMASTER	Yrs		SUPPLY AND DELIVERY OF HARDWARE AND SOFTWARE FOR CONVE		149
DDP VALUERS	Yrs	7	THE COMPILATION OF GENERAL VALUATION REPORTS - new completion date		2 000
BUSINESS CONNEXION (VENUS)	Yrs		FINANCIAL SOFTWARE MAINTENANCE		875
Mubesko Africa (Pty) Ltd / Moore Stephens MO Inc	Yrs	3	PROVISIONING OF ACCOUNTING SERVICES FOR	10/2016 TO 30/06/20	550
Stephens & Moore	Yrs	3	COMPILATION OF ANNUAL FINANCIAL STATEMENTS	10/2016 TO 30/06/20	500
CAB HOLDINGS (PTY) LTD	Yrs	3	CAB HOLDINGS (PTY) LTD	07/2018 TO 30/06/20	828
PAYDAY SOFTWARE SYSTEMS (PTY) LTD	Yrs	3	RENDERING OF PERSONNEL PAYDAY SOFTWARE	07/2016 TO 30/06/20	213
INCA	Yrs	1	Financial Plan	30 June 2020	750



2.17 SERVICE STANDARDS

KLIËNTEDIENS BELEID EN DIENSSTANDAARDE

File number / Verwysingsnommer: 6/4/1

Meeting date / Vergadering datum: 27 Junie 2018

Report by / Verslag deur: Openbare Betrekkinge Beampte – Me S Geldenhuys

STRATEGIC PURPOSE / STRATEGIESE REDE

Doeltreffende, koste effektiewe en beste kwaliteit dienslewering deur goeie regeerkunde.

PURPOSE OF REPORT / DOEL VAN VERSLAG

Dat die Raad die aangepaste Kliëntediens beleid en diensstandaarde goedkeur.

BACKGROUND AND DISCUSSION / AGTERGROND EN BESPREKING

'n Kliëntediens Beleid Werkswinkel is op 06 Maart 2018 aangebied, waar Raadslede en die onderskele direktorate, hul insette kon bied rakende die konsep beleid, procedures, riglyne, asook nuwe insette en wysigings aan die huidige diensstandaarde.

Tydens die werkswinkel is daar nuwe insette en verskeie aanpassings aangebring aan die huidige diensstandaarde.

Die beleid en diensstandaarde het by die Korporatiewe Bestuur Portefeuilje Komitee vergadering van 18 April 2018 gedien, asook by die Uitvoerende Burgemeesterskomitee op 30 Mei 2018, waar die volgende aanbevelings gemaak is:

1. *Dat kennis geneem word van die hersiene Kliëntediens Beleid en aangepaste diensstandaarde.*
2. *Dat die Uitvoerende Burgemeesterskomitee die hersiene beleid en aangepaste diensstandaarde ondersteun en aanbeveel.*
3. *Dat die item verwys word na die volgende Raadsvergadering vir goedkeuring.*
3. *Dat daar maandeliks 'n moniteringsverslag van die afhandeling van klages en take in terme van diensstandaarde, aan die Uitvoerende Burgemeesterskomitee voorgelê word."*

COMMENTS: MUNICIPAL MANAGER / KOMMENTAAR: MUNISIPALE BESTUURDER

Die aanbevelings word ondersteun.

COMMENTS: DIRECTOR CORPORATE MANAGEMENT / KOMMENTAAR: DIREKTEUR KORPORATIEWE BESTUUR

Die aanbevelings word ondersteun.

COMMENTS: DIRECTOR FINANCIAL SERVICES / KOMMENTAAR: DIREKTEUR FINANSIELE DIENSTE

Neem kennis.

COMMENTS: DIRECTOR DEVELOPMENT PLANNING / KOMMENTAAR: DIREKTEUR ONTWIKKELINGSBEPOLLING



COMMENTS: DIRECTOR TECHNICAL SERVICES / KOMMENTAAR: DIREKTEUR TEGNIESE DIENSTE
Die aanbevelings word gesteun.

COMMENTS: DIRECTOR COMMUNITY SERVICES / KOMMENTAAR: DIREKTEUR GEMEENSKAPSDIENSTE

COMMENTS: MANAGER LEGAL SERVICES / KOMMENTAAR: BESTUURDER REGSDIENSTE
Daar word kennis geneem van die inhoud en die aanbevelings word ondersteun.

COMMENTS: OTHER / KOMMENTAAR: ANDER

RECOMMENDATION / AANBEVELING

Dat die Raad die aangepaste Kliëntediens Beleid en diensstandaarde goedkeur.

AGENDA ITEM APPROVED BY / AGENDA ITEM GOEDGEKEUR DEUR:

Direkteur: Korporatiewe Bestuur – Me M Griesel DIRECTOR CORPORATE SERVICES / DIREKTEUR KORPORATIEWE DIENSTE

ATTACHMENTS / STAWENDE DOKUMENTE

1. Konsep Kliëntediens Beleid
2. Diensstandaarde 2018
3. Teenwoordigheidsregister – Kliëntediens werkswinkel



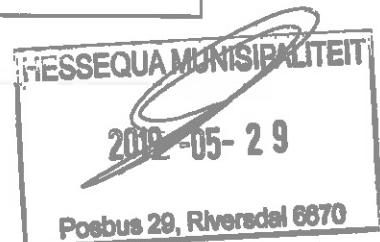
Name	Service Description	Service level days	Department
CORPORATE SERVICES: Council Resolutions Distribution to Managers and personnel	CORPORATE SERVICES: Distribution of Council Resolutions from the Administration Department to applicable Directors, Managers and personnel for implementation or information.	4	Corporate Services
CORPORATE SERVICES: Correspondence Distribution	CORPORATE SERVICES: The Distribution of Incoming correspondence to various departments for action.	3	Corporate Services
CORPORATE SERVICES: Implementation of council resolution	CORPORATE SERVICES: Implementation and completion of council resolution to applicable Directors, Managers and personnel.	30	Corporate Services
CORPORATE SERVICES: Appointment of Personnel	CORPORATE SERVICES: Appointment of Personnel	90	Corporate Services
CORPORATE SERVICES: Contractual Legal Advice	CORPORATE SERVICES: Contractual Legal Advice	14	Corporate Services
CORPORATE SERVICES: Website Updates	CORPORATE SERVICES: Website Updates	2	Corporate Services
CORPORATE SERVICES: Repair of pre-paid electricity sale points	CORPORATE SERVICES: Repair of IT network connection at the pre-paid electricity sale points	2	Corporate Services
CORPORATE SERVICES: Telephone complaints	CORPORATE SERVICES: Attention and action to municipal telephone complaints and faults.	1	Corporate Services
COMMUNITY SERVICES: Implementation of council resolution	COMMUNITY SERVICES: Implementation and completion of council resolution to applicable Directors, Managers and personnel.	30	Community Services
COMMUNITY SERVICES: Replace Traffic Signs	COMMUNITY SERVICES: Replace Traffic Signs	21	Community Services
COMMUNITY SERVICES: Licensing and Road Worthy Certificates	COMMUNITY SERVICES: Licensing and Road Worthy Certificates	56	Community Services
COMMUNITY SERVICES: Learners and Driver's License	COMMUNITY SERVICES: Availability of learners and driver's License appointment	56	Community Services
COMMUNITY SERVICES: Traffic Control Complaint	COMMUNITY SERVICES: Traffic Control Complaint	10	Community Services
COMMUNITY SERVICES: By-laws Contravention	COMMUNITY SERVICES: By-laws Contravention	14	Community Services
COMMUNITY SERVICES: Complaints wrt. Vagrants	COMMUNITY SERVICES: Complaints wrt. Vagrants	14	Community Services
COMMUNITY SERVICES: Illegal Traders	COMMUNITY SERVICES: Illegal Traders	2	Community Services
COMMUNITY SERVICES: Burning of Transfer Station	COMMUNITY SERVICES: Burning of Transfer Station	3	Community Services
COMMUNITY SERVICES: Outdoor Advertising Enquiries	COMMUNITY SERVICES: Outdoor Advertising Enquiries	5	Community Services
COMMUNITY SERVICES: Sound Disturbance	LAW ENFORCEMENT: Sound Disturbance	3	Community Services

TECHNICAL SERVICES: Implementation of council resolution	TECHNICAL SERVICES: Implementation and completion of council resolution to applicable Directors, Managers and personnel.	30	Technical Services
TECHNICAL SERVICES: Repair Water Pipe Bursts	TECHNICAL SERVICES: Repair Water Pipe Bursts	1	Technical Services
TECHNICAL SERVICES: Clear Blocked Sewerage Drains	TECHNICAL SERVICES: Clear Blocked Sewerage Drains	3	Technical Services
TECHNICAL SERVICES: Sewerage Connections	TECHNICAL SERVICES: Sewerage Connections	21	Technical Services
TECHNICAL SERVICES: Repair Potholes	TECHNICAL SERVICES: Repair Potholes	14	Technical Services
TECHNICAL SERVICES: Repair Water Leakages	TECHNICAL SERVICES: Repair Water Leakages	2	Technical Services
TECHNICAL SERVICES: Repair/Replace Faulty Water Meters	TECHNICAL SERVICES: Repair/Replace Faulty Meters	5	Technical Services
TECHNICAL SERVICES: No Water Available	TECHNICAL SERVICES: No Water Available	1	Technical Services
TECHNICAL SERVICES: Low Water Pressure	TECHNICAL SERVICES: Low Water Pressure	5	Technical Services
TECHNICAL SERVICES: Water Quality Complaints	TECHNICAL SERVICES: Water Quality Complaints	5	Technical Services
TECHNICAL SERVICES: Water Connections	TECHNICAL SERVICES: Water Connections	21	Technical Services
TECHNICAL SERVICES - SEWER: Smells	TECHNICAL SERVICES - SEWER: Smells	5	Technical Services
TECHNICAL SERVICES - SEWER: Leakages	TECHNICAL SERVICES - SEWER: Leakages	1	Technical Services
TECHNICAL SERVICES: Rubbish removal	TECHNICAL SERVICES: Rubbish removal	2	Technical Services
TECHNICAL SERVICES: General Dumping Complaints	TECHNICAL SERVICES: General Dumping Complaints	10	Technical Services
TECHNICAL SERVICES - SEWER: Broken / Missing Manhole Cover	TECHNICAL SERVICES - SEWER: Broken / Missing Manhole Cover	3	Technical Services
TECHNICAL SERVICES - SEWER: Removal Services	TECHNICAL SERVICES - SEWER: Removal Services	3	Technical Services
TECHNICAL SERVICES - ROADS & STORMWATER: Pavement Related	TECHNICAL SERVICES - ROADS & STORMWATER: Pavement Related	14	Technical Services
TECHNICAL SERVICES - ROADS & STORMWATER: Blocked Storm Water Drains	TECHNICAL SERVICES - ROADS & STORMWATER: Blocked Storm Water Drains	14	Technical Services
TECHNICAL SERVICES - ROADS & STORMWATER: Uneven Road Surfaces / Gravel Roads	TECHNICAL SERVICES - ROADS & STORMWATER: Uneven Road Surfaces / Gravel Roads	14	Technical Services
TECHNICAL SERVICES Damaged Road Repairs	TECHNICAL SERVICES Damaged Road Repairs	30	Technical Services
TECHNICAL SERVICES: Storm Water Pipe Repairs	TECHNICAL SERVICES: Storm Water Pipe Repairs (Breakage and Blockage)	30	Technical Services

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TECHNICAL SERVICES: Repair of Side walks	TECHNICAL SERVICES: Make of Side walks	14	Technical Services
TECHNICAL SERVICES: Make of Driveways	TECHNICAL SERVICES: Make of Driveways	30	Technical Services
TECHNICAL SERVICES: Cutting of Trees and Grass	TECHNICAL SERVICES: Cutting of Trees and Grass	7	Technical Services
TECHNICAL SERVICES: Clearing of Open Overgrown Areas	TECHNICAL SERVICES: Clearing of Open Overgrown Areas	30	Technical Services
TECHNICAL SERVICES: Grave Preparation for Burials	TECHNICAL SERVICES: Grave Preparation for Burials	3	Technical Services
TECHNICAL SERVICES: General Repairs (Small defects)	TECHNICAL SERVICES: General Repairs (Small defects)	3	Technical Services
TECHNICAL SERVICES: Problem at Sport Facilities	TECHNICAL SERVICES: Problem at Sport Facilities	3	Technical Services
TECHNICAL SERVICES: Power Interruptions	TECHNICAL SERVICES: Power Interruptions	1	Technical Services
TECHNICAL SERVICES: Meter Queries / Complaints	TECHNICAL SERVICES: Meter Queries / Complaints	2	Technical Services
TECHNICAL SERVICES - STREET LIGHTS: Entire Street Is Off	TECHNICAL SERVICES - STREET LIGHTS: Entire Street Is Off	2	Technical Services
TECHNICAL SERVICES - STREET LIGHTS: Single Street Light Is Off	TECHNICAL SERVICES - STREET LIGHTS: Single Street Light Is Off	5,21	Technical Services
TECHNICAL SERVICES: Electricity: Reconections After Payment is Made	TECHNICAL SERVICES: Reconections After Payment is Made	1	Technical Services
TECHNICAL SERVICES: Electricity: New Connections Where Existing Infrastructure can be Used and After Payment is Made	TECHNICAL SERVICES: New Connections Where Existing Infrastructure can be Used and After Payment is Made	5	Technical Services
TECHNICAL SERVICES: Faulty Powerbox (Repair or Replacement)	TECHNICAL SERVICES Faulty Powerbox (Repair or Replacement)	1	Technical Services
TECHNICAL SERVICES: Geyser Control	TECHNICAL SERVICES: Geyser Control	2	Technical Services
FINANCIAL SERVICES: Implementation of council resolution	FINANCIAL SERVICES: Implementation and completion of council resolution to applicable Directors, Managers and personnel.	30	Financial Services
FINANCIAL SERVICES: Electricity Blocked	FINANCIAL SERVICES: Electricity Blocked	4	Financial Services
FINANCIAL SERVICES: Water Blocked (Placed on Drip)	FINANCIAL SERVICES: Water Blocked (Placed on Drip)	4	Financial Services
FINANCIAL SERVICES: Prepaid Vendor Off	FINANCIAL SERVICES: Prepaid Vendor Off	4	Financial Services
FINANCIAL SERVICES: Account Enquiries	FINANCIAL SERVICES: Account Enquiries	10	Financial Services
FINANCIAL SERVICES: Financial enquiries	FINANCIAL SERVICES: Financial enquiries pertaining to all Departments within the municipality	20	Financial Services



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FINANCIAL SERVICES Social Assistance Applications	FINANCIAL SERVICES: Social Assistance Applications	60	Financial Services
TOWN PLANNING: Implementation of council resolution	TOWN PLANNING: Implementation and completion of council resolution to applicable Directors, Managers and personnel.	30	Town Planning
BUILDING CONTROL: Building Inspection Confirmation	BUILDING CONTROL: Building Inspection	3	Development Planning
BUILDING CONTROL: Builders Deposit Refund Application processed	BUILDING CONTROL: Builders Deposit	3	Development Planning
BUILDING CONTROL: On-site Queries	BUILDING CONTROL: On-site Queries	5	Development Planning
BUILDING CONTROL: Building Plan Application Progress	BUILDING CONTROL: Building Application Progress	5	Development Planning
TOWN PLANNING: Complaint: General	TOWN PLANNING: Complaint: General	5	Development Planning
BUILDING CONTROL: Building Plan Approval	BUILDING CONTROL: Building Plan Approval	30	Development Planning
TOWN PLANNING Zoning Certificate	TOWN PLANNING Zoning Certificate	10	Development Planning
TOWN PLANNING: Land Use/Scheme Regulation Queries	TOWN PLANNING: Land Use/Scheme Regulation Queries	5	Development Planning
TOWN PLANNING Land Use Applications – Delegated Official	TOWN PLANNING Land Use Applications	60	Development Planning
TOWN PLANNING Land Use Applications – Tribunal	TOWN PLANNING Land Use Applications	120	Development Planning
ENVIRONMENTAL: Air Pollution	TOWN PLANNING: Air Pollution	3	Development Planning



2.18 MUNICIPAL MANAGER'S QUALITY CERTIFICATE

HESSEQUA
Municipaliteit / Municipality / La Municipal



Dir vir Korrespondensie aan die Munisipale Bestuurder
Address all correspondence to the Municipal Manager:

Tel: (028) 713 8000

Faks / Fax: 086 4015 118

Postbus / P.O. Box 29, RIVERSDAL(E), 6670

E-pos / E-mail: info@hessequa.gov.za

www.hessequa.gov.za

Van den Bergstraat
RIVERSDALE(E)

Verv. / Ref:

Navrae/Enquiries:

QUALITY CERTIFICATE

I, J Jacobs, the Municipal Manager of Hessequa Municipality, hereby certify that the 2019/2020 budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act (Act no. 56 of 2003), and regulations promulgated under the Act, and that the budget and supporting documents are consistent with the Integrated Development plan of the Municipality.

J Jacobs

Municipal Manager

Hessequa Municipality - WC042

Signature:

Date: 29 May 2019

Councillor Mr G Riddles

Executive Mayor

Hessequa Municipality - WC042

Signature:

Date: 29 May 2019



STUCCHEANTEKE / REGIONAL OFFICES

ALBERTINA
Tel: (028) 713 7858

STILBAAI
Tel: (028) 713 7831

SLANGRIVIER
Tel: (028) 713 7892

JÖNGENSFONTEIN
Tel: (028) 713 7850

HEIDELBERG
Tel: (028) 713 8019

GOURTSMOND
Tel: (028) 713 7855

WITSAND
Tel: (028) 713 7868